

NEWS SUMMARY

GENERAL Amin murder bid middle

Unsuccessful attempt to assassinate President Amin...

EC apology Finn Gundelach, the Swedish Agriculture Commissioner...

Prezhnev in Paris Leonid Brezhnev, the Soviet President, arrived in Paris...

Italy erupts mounting wave of urban terrorism, including the wounding of a Milan electrical company manager...

Tennis banner defeated Anne Tanner, the U.S. No. 4, went down to John Lloyd...

Isa ban attacked Government was criticised by Tory peer Lord Harewood...

Easy money security van followed a grey van after a hand delivering...

Trifly... Police: England were 189... Report, page 2

John Legge, aged 37, one three Scotland Yard detectives...

Chief price changes yesterday Prices in pence unless otherwise indicated

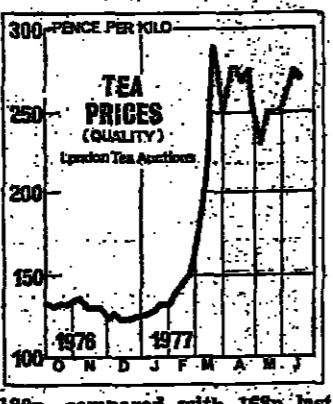
RISKS Relays Bank 267 + 7... FALLS Treas. 18p 1981 £109 - 2

Earnings up 7.5% in Phase Two's first nine months

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

Average earnings increased by 7.5 per cent during the first nine months of the Phase Two pay policy...

Overtime The fall last month was the result both of a decline in the amount of overtime worked...



Healey fights EEC Budget levy rise

By Guy de Jonquieres, Common Market Correspondent

LUXEMBOURG, June 20. MR. DENIS HEALEY, the Chancellor, told his EEC counterparts today that Britain could not accept an increase in her contribution to the Community Budget...

Rees praises police action at Grunwick

BY RICHARD EVANS, LOBBY EDITOR

MR. MERLYN REES Home Secretary spoke out firmly in the Commons yesterday in praise of police handling of the mass picketing of the Grunwick film processing laboratories...

Arabs order reprisals over U.S. boycott law

BY MICHAEL TINGAY ALEXANDRIA, June 20.

U.S. COMPANIES were warned by the Arab Boycott of Israel Office today that they risked being black-listed if they complied with legislation awaiting final approval by Congress...

Williams of Baring Brothers to head Price Commission

BY DAVID FREUD, INDUSTRIAL STAFF

THE NEW £18,000 a year chairman of the Price Commission will be Mr. Charles Williams, a managing director of Baring Brothers, the merchant bank...

Bonn's role

Sterling is valued for budgetary purposes at 2.40 units of account, but under the future system its value would drop, perhaps to 1.55 units of account...

Booth makes little headway in talks

BY NICK GARNETT, LABOUR STAFF

A MEETING between Mr. Albert Booth, Employment Secretary, and Mr. Roy Grantham, general secretary of APEX, the Association of Professional, Clerical and Computer Staff...

Table with 2 columns: Spot, 1 month, 3 months, 12 months. Values for various currencies and indices.

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Catch a Caribbean Jumbo. Fly the flag. 747s to Kingston at 10 45 every Wednesday (via Nassau) and Saturday (via Bermuda). Plus Barbados and Trinidad at 11 15 every Tuesday and Saturday, all from Heathrow.

Table with 2 columns: FEATURES, OTHER PAGES. Lists various news items and their page numbers.

BOMBARD

Prices in the real world

BY ANTHONY HARRIS

THE PROPOSAL by the National Consumer Council for a ceiling on tolerable price increases to provide a reference point for pay bargaining deserves more serious attention than it seems likely to get. It looks a dreadfully simple answer to a complex problem, and is couched in language more like that of a popular broadsheet than of a serious economic proposal. However, there is no need for a good idea to be expressed pompously, or even to be based on a correct analysis, for it to have merit. This one has.

Indeed, the fact that the idea can be expressed in popular language is a merit in itself; it makes it very hard to oppose. A trade unionist can complain that wage restraint—which on the latest figures looks rather more effective than anyone supposed—has not held down prices, and thus speak passionately against further wage restraint. He cannot, on the other hand, argue against price restraint. The CBI, faced with recent figures which show that prices have been rising faster than costs for more than a year, would also find it rather embarrassing to oppose some price ceiling, however odious it might find the principle. Mr. Young's proposal is one on which both sides might find themselves agreed to agree, however great their private misgivings might be.

Bigger share

This could have one very important result. As I have suggested in earlier columns, it is not easy to persuade union members to be frightened by the general notion that bigger wage increases will mean higher unemployment and less investment, however true this may be for the economy at large. People who work for very large companies which are able to set their own prices are not faced with this threat in any very vivid form. If they can force up both wages and prices, then they may be able to collar a bigger share of the national income; the fact that real national income is in consequence a little lower is a secondary concern. Indeed, any trade unionist fearing that others may succeed in exploiting market power in this way is driven to lodge exaggerated claims in self-protection.

The price control regime we have had for the past five years has simply made matters worse. The sector of the economy which has enough market power to set both its own and closely competitive price levels may

RACING

BY DOMINIC WIGAN

Sanguine looks likely winner at Brighton

IN SPITE of the presence of that remarkable course specialist, Our Manny, and the inform Dutch Treat in this afternoon's "Operatic Society" Challenge Cup at Brighton, I intend taking a chance with Ben Hanbury's progressive Sanctus II colt, Sanguine.

The winner of two three-runner contests in a busy 1976 campaign, in which he made nine appearances, Sanguine has had just two runs to date this term.

A notable disappointment on 2,000 Guineas day at Newmarket, where he made no show in the Turf of the Leicestershire cap, Sanguine did much better at Leicester early this month finishing runner-up under 9 st to Snake Bite in the Coronation Handicap.

Always well placed in that mile and a half event Sanguine kept on gamely without ever threatening to beat Guy Harwood's four-year-old, to whom he was trying to concede 9 lb. Reported to be right back to his best now the compact San-

guine, who should be ideally suited to this tricky cambered course, can take advantage of the 23 lb. he receives from Snake Bite's stable companion, Our Manny.

No trainer has his team in better form at present than Michael Stoute and few are likely to oppose his bay Goldhill

- BRIGHTON 2.00—Dutch 2.30—Tudor's los Santos 3.00—Sanguine** 3.30—Rial*** 4.00—Panorama 4.30—Codebreaker PONTFRAC 4.15—Oriental Star 4.45—Trotack* 5.45—Miraban

golding, Rial, in the one mile Lewes Stakes in which Grain of Truth is a surprising absentee. Rial showed that a win would be no more than a foretaste of his capabilities when he ran with practice on two of Eric Collingwood's Leyburn, his three appearances last term, and he again underlined his prospects of a small success when Whitcup Cup at Sandown Park.

SALEROOM

BY ANTONY THORNCROFT

Emperor's porcelain vases make £14,000 at Sotheby's

A PAIR of porcelain vases, made in St. Petersburg about 1835 and presented by the Emperor Nicholas I to the Austrian Ambassador on his departure from Russia, sold for £14,000 at Sotheby's yesterday to Koopman.

The vases, 53 inches high, are decorated with hunting scenes after Philips Wouwerman by N. Kornilov. They were the high spot in an auction of icons and other Russian works of art which totalled £157,510.

Asia, a London dealer, paid £5,600 for a mid-18th century Moscow icon, the Koran Mother of God, and Hayward £5,500 (over double the estimate) for a mid-19th century badge of the Order of St. Catherine, the Great Martyr, Second Class. All prices carry an additional 10 per cent in buyer's premium.

Other notable prices were the £4,400 for a Fabergé polychrome cloisonné enamel beaker, and £4,200 for a large silver gilt and cloisonné enamel late 19th cen-

tury bratina, or drinking vessel. Sotheby's also started a two-day sale of atlases, travel books and manuscripts, which totalled £25,810 on the first day. John Speed's "Theatrum Imperii Magnae Britanniae" of 1616, with 67 double page maps, sold for £8,000 and Dawson sold £4,000 for Bleu's "Vierde Stuck" with 58 maps.

A collection of 32 maps sold for £2,500 to Radford, and Captain Grenville Collins' "Great Britain's Coastline Pilot" of 1811 realised £1,500.

The English porcelain auction at Christie's brought in £39,845. A Spode pea green ground ornithological part dessert service went to Burnley Antiques for £2,000 and a Worcester Flight Barr and Barr botanical part dessert service to Hyde for £1,600. A rare Bow figure of a parrot was bought by Winifred Williams for £1,200.

A painting by the Austrian artist Ferdinand George Wald-

WIMBLEDON

BY JOHN BARRE

Lloyd knocks out Tann

AFTER the colourful and moving parade of former champions on Centre Court the Wimbledon returns of Tann's second Centenary Championships immediately provided their first sensation yesterday when the third set had gone with British Davis Cup player John Lloyd knocking out the No. 4 seed, Roscoe Tann, U.S., 3-6, 6-4, 6-4, 8-6.

The unseeded Lloyd, who had gone out tamely in the first round of the Italian and French Championships last month, played bravely and decisively to defeat an opponent tipped by many to win the title.

Lloyd is usually unlucky enough to draw top-class opposition in the first round of these championships. Last year it was Australia's Phil Dent, against whom he had five match points before going out, and the year before he ran into Jimmy Connors.

"It is nice not to be just a Monday Wimbledon player every year," he said afterwards. "I like playing left-handers because they serve to my backhand strength."

But then Tann, who won the Australian title in January and was a Wimbledon semi-finalist in the past two years, began to play tentatively. He looked unhappy with some line calls and the racket with some of Lloyd's brilliant backhand returns of service which sped past him as he tried to move into volleying position.

The second set went with service to 5-4 and Lloyd reached set point on Tann's delivery when the American let a forehand which he thought would fall beyond the base line.

Instead, it dropped in and Lloyd, one of three brothers from Essex playing in these championships, produced a stunning backhand pass to level the match at set-all.

Now Lloyd was obviously a worrying factor for Tann. As the American's first service began to let him down more and

more frequently Lloyd was passing him time and again with service let him down, Tann saved two match points in the second set.

After the first four games of the third set had gone with service, Lloyd launched into a decisive spell which brought him ten points in a row and a 5-2 lead. Tann pulled his game together, breaking back with two stunning service returns, but Lloyd grittily denied the man from Lookout Mountain any further satisfaction.

Tann netted when a service return fell at his feet, and on his first set point the 22-year-old Lloyd clinched it with another beautiful backhand which had Tann lunging at air.

In the fourth set, finding it increasingly difficult to move on the slow, slippery court, Tann was twice aced by Lloyd's second services.

It went with service until the 14th game, when Tann fell 6-4, 6-4, 6-4, 8-6.



John Lloyd, the British Davis Cup player, provided the Wimbledon upset beating Roscoe Tann, as the American's first service began to let him down more and

CRICKET

BY TREVOR BAI

England in strong position after Woolmer century

WHEN THE LIGHT stepped Old until the latter was caught played and missed at play shortly before six o'clock behind of the Warwickshire with the next and was of 193. With only one day left

the odds must now be strongly in favour of England. The first Test ending in a draw, obligingly mis-hooked a bouncer, but it should not be forgotten that something approaching an innings for 296 by removing the entire day has already been lost because of the weather.

England certainly had much to be pleased about. Willis returned the finest figures of his career and he was well supported by Old, but the most satisfactory feature was Woolmer's unbeaten 114.

When Australia resumed their first innings at 275 for 7, their efforts on a pitch which was Lord's, England needed to mop up stage in the game.

up their tail quickly if they were to come back into the match. O'Keefe and Walker existed a formidable handicap, a view with difficulty against some which was underlined in lively bowling from Willis and Thomson's opening over. Amis

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SCOTTISH

12.30 p.m. News Headlines and Road and Weather Report. 1.30 The Royal Show. 2.00 Professor's Grand. 2.30 Crossroads. 3.00 Scotland Today. 4.30 Popcorn. 4.45 Mystery. 5.00 The 12.30 News. 5.30 Late Call. 11.30 Night Gallery.

SOUTHERN

1.30 p.m. Southern News. 2.00 Home-party. 3.30 Harrier. 5.15 Popcorn. 5.30 Crossroads. 6.00 Day by Day including Southern. 7.00 The Movie. 7.30 Executive Suite. 11.30 Southern News Extra. 11.40 George Hamilton IV.

TYNE TEES

4.25 a.m. North East News Headlines. 12.30 p.m. News. 1.30 Personal View. 1.50 The Mary Tyler Moore Show. 5.15 Crossroads. 6.00 The Movie. 7.30 Emmerdale Farm. 7.30 Space 1999. 8.30 Could do Better. 12.30 Welcome to the 12.30 News. 11.30 Southern News Extra.

ULSTER

1.30 p.m. Ulster News. 2.30 Cartoon Time. 3.45 Ulster News Headlines. 5.15 The Joe Rap. 6.00 The News. 6.30 The News. 7.00 The News. 7.30 The News. 8.30 The News. 11.30 The News.

WESTWARD

12.30 a.m. Gus Emmerston's Birthday. 1.30 The News. 2.30 The News. 3.30 The News. 4.30 The News. 5.30 The News. 6.30 The News. 7.30 The News. 8.30 The News. 11.30 The News.

YORKSHIRE

1.30 p.m. Calendar News. 2.30 Personal View. 3.30 The News. 4.30 The News. 5.30 The News. 6.30 The News. 7.30 The News. 8.30 The News. 11.30 The News.

BBC Radio London

20.00m and 94.9 VHF. 5.00 a.m. As Radio 2. 5.30 a.m. Home. 6.00 a.m. Home. 6.30 a.m. Home. 7.00 a.m. Home. 7.30 a.m. Home. 8.00 a.m. Home. 8.30 a.m. Home. 9.00 a.m. Home. 9.30 a.m. Home. 10.00 a.m. Home. 10.30 a.m. Home. 11.00 a.m. Home. 11.30 a.m. Home. 12.00 a.m. Home.

Capital Radio

19.00m and 95.5 VHF. 5.00 a.m. Morning Music. 6.00 a.m. Morning Music. 7.00 a.m. Morning Music. 8.00 a.m. Morning Music. 9.00 a.m. Morning Music. 10.00 a.m. Morning Music. 11.00 a.m. Morning Music. 12.00 a.m. Morning Music.

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Radio

- BBC 1 5.40 News. 5.55 Newsround (London and South-East only). 6.15 Wimbledon 1977. 7.20 The Watsons. 8.10 Z Cars. 8.30 News. 9.25 I Didn't Know You Cared. 9.55 The Yard: The inside story of Scotland Yard. 10.45 To-night. 11.25 Politics Now—The Lone Best Job. 11.50 Weather/Regional News. All regions at BBC 1 except at the following times: Wales—5.55-6.15 p.m. Wales Today. 7.20 Heidiwig. 7.45-8.10 Dylanwadaw (SW). 11.25 Dewi I Siarad. 11.50 News and Weather for Wales. Scotland—5.55-6.15 p.m. Reporting Scotland. 11.50 News and Weather for Scotland. Northern Ireland—4.15-4.30 p.m. Northern Ireland News. 5.55-6.15 p.m. Scene Around Six. 11.50 News and Weather for Northern Ireland. England—5.55-6.15 p.m. Look East (Northwick, Leamington, Leicester, Manchester, Newcastle). Midlands Today (Birmingham). Points West (Bristol). South Today (Southampton). Spotlight South-West (Plymouth).

Wales

- 6.40-7.55 a.m. Open University. 10.05 The Role of the Nurse. 10.30 Trade Union Studies. 10.55 Cricket: Jubilee Test—England v. Australia. 11.40 Play School. 2.01 p.m. You and Me. 2.33 For Schools, Colleges. 3.00 Wimbledon 1977/Cricket: Jubilee Test. 7.30 News on 2. 7.40 Centre Play. 8.20 Sports Special. 11.20 Late News on 2. 11.30-11.45 Close-up: Julian Glover reads "Muggled" by George Mackay Brown.

ATV Midlands

- 1.20 p.m. ATV News. 2.00 Comedy Preview. 2.30 The Many Wives of Fanny Hill. 3.00 The Many Wives of Fanny Hill. 3.30 The Many Wives of Fanny Hill. 4.00 The Many Wives of Fanny Hill. 4.30 The Many Wives of Fanny Hill. 5.00 The Many Wives of Fanny Hill. 5.30 The Many Wives of Fanny Hill. 6.00 The Many Wives of Fanny Hill. 6.30 The Many Wives of Fanny Hill. 7.00 The Many Wives of Fanny Hill. 7.30 The Many Wives of Fanny Hill. 8.00 The Many Wives of Fanny Hill. 8.30 The Many Wives of Fanny Hill. 9.00 The Many Wives of Fanny Hill. 9.30 The Many Wives of Fanny Hill. 10.00 The Many Wives of Fanny Hill. 10.30 The Many Wives of Fanny Hill. 11.00 The Many Wives of Fanny Hill. 11.30 The Many Wives of Fanny Hill. 12.00 The Many Wives of Fanny Hill.

BBC 2

- 1.20 p.m. News. 2.00 Comedy Preview. 2.30 The Many Wives of Fanny Hill. 3.00 The Many Wives of Fanny Hill. 3.30 The Many Wives of Fanny Hill. 4.00 The Many Wives of Fanny Hill. 4.30 The Many Wives of Fanny Hill. 5.00 The Many Wives of Fanny Hill. 5.30 The Many Wives of Fanny Hill. 6.00 The Many Wives of Fanny Hill. 6.30 The Many Wives of Fanny Hill. 7.00 The Many Wives of Fanny Hill. 7.30 The Many Wives of Fanny Hill. 8.00 The Many Wives of Fanny Hill. 8.30 The Many Wives of Fanny Hill. 9.00 The Many Wives of Fanny Hill. 9.30 The Many Wives of Fanny Hill. 10.00 The Many Wives of Fanny Hill. 10.30 The Many Wives of Fanny Hill. 11.00 The Many Wives of Fanny Hill. 11.30 The Many Wives of Fanny Hill. 12.00 The Many Wives of Fanny Hill.

BORDER

- 12.30 p.m. Border News. 2.00 Home-party. 3.20 Police Surgeon. 3.50 The Franchise. 5.15 The Beachcomber. 6.00 Border and Leitham. 6.30 Emmerdale Farm. 7.30 The Collaborators. 11.25 a.m. Border News. 11.30 News on 2.

F.T. CROSSWORD PUZZLE No. 3410

A crossword puzzle grid with numbers 1 through 30 indicating the starting positions for the clues. The grid is a standard crossword format with black squares and white squares for letters.

- ACROSS 1 Able to appear in race for a plaque (6). 4 Introduce pub with zero tax to orientals (8). 9 Soldiers take a flthy place that smells badly (6). 10 Where one may go from one day to another (4-4). 12 Trapped in type of drum in the end (8). 13 Notice opening a feast... (6). 15... for contemptible person to notice (4). 16 Where to get a good view but even the pre-eminent are on their feet (10). 19 Sheltered type of agent (5-5). 20 Recognise wreat retreat in the street (4). 23 The way to prevalent contention (8). 25 Awfully respectful and always let outside (5). 27 A form is speaking well about the wealthy (8). 28 About to telephone for a comeback (6). 29 Bound to be restricted (4-4). 30 Guard told to go by railway (8). DOWN 7 Nimble one left in time (5). 8 Built up before conservative former leader (7). 11 Where one retires to be right in judgment (7). 14 Enraged in a different way (7). 17 Fruit bearer when upset causes confusion (5-4). 18 Public Relations Officer discovered something far below the surface (8). 19 Parvane puts bad construction on art (7). 21 To agree entirely (7). 23 Calm soldiers standing in two directions (6). 24 The weapon with which to plunder (5). 26 Recognise Kremlin leader at this moment (4).

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LONDON

- 9.30 a.m. For Schools. 10.41 Hammy Hamster's Adventures on the Riverbank. 11.05 For Schools (continuing). 11.30 Stepping Stones. 12.30 Moneywise. 1.00 News. 1.30 Today's Post. 1.30 Cuppa. 2.00 God's Own. 2.25 The Life and Death of... 2.50 Curved Air. 3.50 Emmerdale Farm. 4.20 Runaround. 4.45 Extraordinary. 5.15 Mr. and Mrs. 5.45 News. 6.40 Today. 6.40 Crossroads.

RADIO 1

- 247m (3) Stereophonic broadcast. 4.00 a.m. As Radio 2. 7.00 Headline. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3.00 News. 3.30 News. 4.00 News. 4.30 News. 5.00 News. 5.30 News. 6.00 News. 6.30 News. 7.00 News. 7.30 News. 8.00 News. 8.30 News. 9.00 News. 9.30 News. 10.00 News. 10.30 News. 11.00 News. 11.30 News. 12.00 News. 12.30 News. 1.00 News. 1.30 News. 2.00 News. 2.30 News. 3

John Hamilton Mortimer

British Art Triumphant

by DENYS SUTTON, Editor of Apollo

One of the most significant events in the artistic world in the last few months was the inauguration of the Yale Center for British Art. Its establishment is due to the munificence of Mr. Mellon, a member of the Mellon family who has long had an affection for British art. The center will also have a magnificent library at its service. It is those, of course, who consider that the transfer across the Atlantic of many of the great masterpieces of the British school is to be regretted. To adopt this line, however, is to overlook the fact that British art has had a major part in shaping the intellectual and political life of the U.S. and that Yale has been able to see a wide-ranging selection of items—paintings, prints, sculpture—that in the past have supplied a concept of British artistic achievement to the American mind. Those keen on British art will also have a magnificent library at its service. It is those, of course, who consider that the transfer across the Atlantic of many of the great masterpieces of the British school is to be regretted. To adopt this line, however, is to overlook the fact that British art has had a major part in shaping the intellectual and political life of the U.S. and that Yale has been able to see a wide-ranging selection of items—paintings, prints, sculpture—that in the past have supplied a concept of British artistic achievement to the American mind.



John Hamilton Mortimer: Caricature Group

Besides the main display of paintings, the Center has staged two exhibitions. One is a large group of English landscape watercolours, drawings and prints from 1550-1850 which has been selected and catalogued by Christopher White, who brings to his task an eye trained by a study of the Dutch and Flemish masters. Mr. Mellon has bought widely and well and his collection provides a magical picture of the achievement of our artists in catching the moods of nature. One of the revelations of the exhibition is Turner's *Little Liber*, a group of small mezzotints of the utmost rarity which, as is stated in the catalogue, "are probably some of the least known and most original works in the entire history of print-making." They drive home the affinities which exist between his vision of nature and that of Whistler and it would be instructive to determine if the American artist ever saw a set.

The second show, also drawn from the Center's holdings, is devoted to the theme of "The Pursuit of Happiness" and, broadly speaking, it seeks to present the improvements in material and cultural life that took place in Britain during the 18th century. It has been devised by Professor Plumb who has written an engaging and optimistic preface for the catalogue which, like the others, is well printed and designed. The show which contains many unfamiliar works, including an entertaining caricature by Mortimer, represents such diverse activities as horse racing and the establishment of libraries and foreign travel and collecting; the result is to recall in an attractive way a grand period of national life.

The British Center is now firmly established and has an impressive row of publications to its credit. Its aim is to promote a deeper understanding of British art. Mr. Mellon must be proud to think that his fortune has been put to such admirable use and those who benefit now or in the future from his generosity should reflect that this would not have occurred without the existence of a free enterprise system.

The Human Voice

by NICHOLAS KENYON

The coherence, attractiveness and continual attractiveness of the Holland Festival never cease to amaze the English visitor, who is reared on festivals designed (for the most part) as the least painful way of filling that awkward interval between shopping and dinner.

Where English festivals sidestep the problems of "difficult" music, the Holland Festival programme is willing to speak plainly of "the abyss between the language of modern forms, and what audiences expect of a night out" in a country which has always treated the arts seriously. It is perhaps easier to be uncompromising than here, where artistic endeavours still have to fight for their place in our national priorities.

But Holland is nevertheless remarkable. On an absurdly small budget (compared with the extravagance of other Continental ventures), it manages to draw together some of the country's current artistic preoccupations, invites guests from abroad, and presents the whole with a strong feeling of unity and identity. The director, Hans de Witte, is not afraid to push the moral home: "France has a good 200 summer festivals, which can be interpreted as a sign of flourishing activity, but also as a certain deviation of the concept of a festival..."

It might have been expected that after the thorough surveys

been accumulated: the music was not towards greater originality but towards even increasing dependence on a pseudo-Wagnerian idiom. Though the actual discovery of the gold, and the despair of the final bars, when they reject what the gold offers, are dramatically managed, the *Tristan*-like philosophizing of most of the act entirely fails to hold the atten-



A scene from Puccini's 'Il Tabarro'

The Entertainment Guide is on Pages 11 & 28

In previous festivals—of authentic baroque performance in 1976, of American music last year—this year's theme, *The Human Voice*, would prove hopelessly broad. Not so; in three weeks the festival-goer could have encountered a selection of vocal landmarks from early choral, medieval miracle plays, Renaissance polyphony, through Figaro, Berlioz and Franck to vocal works presented, like the *Leichtes Spiel* by Serio (Coro), by Philip Glass, and the latest experiments of the Extended Vocal Techniques ensemble. In the three days I was there, I had to miss a newly-revised "Vocal Lecture" by Cathy Berberian, Liszt and Strausslieder from Gundula Janowitz; not to mention vocally-orientated ballet and theatre. Focus was given to a large group of these events by including in them new music by Dutch composers—25 mostly vocal works were presented, the first time that the Festival has devoted so much space to native music—and this provided the central, most ambitious project of the Festival, a new Dutch opera, *Asiel*.

He set each group of instruments firmly in its social context, and delineated their characteristics well—a particular revelation was the un-jocular, expressive sound of a crumhorn consort in a Schein Pavan, and the sophisticated virtuosity of a deep consort of dulcians.

Ensemble was crisp, rhythm was sharp; there were few interruptions between the pieces, and the evening as a whole bore surprise) "actual pieces of music." For the emancipation of tuning took the edge off the brilliant solos of Ross Winters on recorder and Jeremy West on cornett, but their playing had a sensitive flexibility encountered all too rarely in this music.

The three humanists were, by contrast, more than their instruments forced them to be; this attractive repertory can be heard played with greater put-gency on a recommendable new record by Konrad Ragossnig and friends (Archive 2533 323). They were overshadowed in both size and noise by the splendid group of shawms which began and ended the concert's second half. Though lumbering in construction and fierce in sound, they showed themselves capable of playing what Bernard Thomas called (with a justified note of surprise) "actual pieces of music." For the emancipation of tuning took the edge off the brilliant solos of Ross Winters on recorder and Jeremy West on cornett, but their playing had a sensitive flexibility encountered all too rarely in this music.

I had come to Puccini straight from one of the Festival's concerts featuring the "early" (though recently reported to be defunct) *Studio der frühen Musik*; it emerged that their director, Thomas Binkley, had left Switzerland for California, where he was now directing projects from a distance instead of rehearsing daily with his small group. I had been prepared by their records for some freedom in their interpretations but not for the extraordinary collage of electronic sound that greeted us as we entered the hall, which faded into *Andrieu's Lament* on the death of Blachaut and was then joined by the performers, entering one by one onto the stage in blue cassocks slinging the same music. The gimmick might have had some point if the recital (of 15th-century French music) had been revelatory, but Mr. Binkley's colleagues, the Ensemble VoCALE Guillaume Dufay of Paris were a poor match for his sophisticated (though rather grim-faced) instrumentalists.

Fortunately, gimmicks were absent the previous evening from a most satisfying collection of Vespers music by Monteverdi performed by the Collegium Vocale of Ghent and Musica Antiqua of Amsterdam. Unless one counts the act of ignoring churches to perform the music in the Concertgebouw, or had reservations about Ton Koopman's organ improvisation, which linked the realms together. Curiously, this concert coincided exactly with an account in England of some non-1610 Monteverdi devised by John Elliot Gardiner and given in the Bath Festival (which I've since heard on tape); Gardiner had the edge in the liturgical appropriateness of his selections and the rhythmic drive of his performance, but the Dutch artists yielded nothing in their understanding and clearly articulated communication of the music. And, unlike Gardiner's, their concert slotted into a context of great vocal well in which it could prove how well Monteverdi stands competition with any writer for the voice.

Authors bah t'at

by ALAN FORREST

Well, that's it—now we can back to sleep for two years, the Ilkley Literature Festival as we sheltered under an umbrella from a bludgeoning-moormoorland rain beating down the posters advertising literary lions as Lord Cecil, Melvyn Bragg, J. Ayer, and the Liverpool party was over, indeed, by two years the little grey-haired man who had been invited to become a salon, and a forum, for those who happen to be foot-sore at the time.

It's a great interruption of nature," said John Norman, poet, painter, and wool merchant, allowing himself to be interrupted by another drink at the festival club. "John, for'ds sake talk about poetry, wool," somebody said.

Ilkley believes that "London's pokes fun at it for a literature festival which ought to be getting on with money in Bradford and Leeds. But this is the edge of outland, J. B. Priestley-land, and John Braine-land, where body has ever had any difficulty mixing fish and chips with wine.

It is a splendid festival, as ferent from Cheltenham as the Ashire Moors are from the bowlds. Its great scoop this year was a visit by Marguerite Duras to coincide with a season of her films, including her latest *Le Camion*. Down over specially in the beach district, more with French Embassy officials being nice all over the Craighlands Hotel.

The fact that it didn't have any sub-titles did not seem to worry many people. After all they said, we've had education oop here for a long time."

Lord David Cecil talking about Jane Austen in the King's Hall was a sell-out. There was a preponderance of grey heads and well-made frocks chatting up Lord David as he signed books. Meanwhile, husbands stood about discussing important matters — "if he doesn't get behind the line of the ball, Jack, he's gutless."

The festival's highlight — unfortunately, it didn't fill the hall — was the jazz suite commissioned from Graham Collier with aid from Arts Council. Collier called it *The Day of the Dead* and based it on writings of Malcolm Lowry, narrated by a splendid speaker, John Carbery, and it did wonders for the sale of Lowry's Penguins at the book fair in the bar.

With this piece, Collier has produced a perfect marriage of music and words. The famous letter in *Under the Volcano* — "for Christ Jesus' sake comes



Marguerite Duras

back to me, Yvonne"—is turned into an intricate torch song.

There was a programme on Sydney Smith with Timothy West as Smith, Melvyn Bragg chairing Read All About It, John Donne sermons every afternoon in the parish church, the Phantom Captain theatre group performing its "loaded Questions" and, for night rakes, a tremendously talented pop music and poetry group called Stereo Graffiti doing a nightly late show at the Lister's Arms.

One of the festival's successes was a children's book exhibition in a school just outside the town. Children's authors visited it, talked to kids and parents and at the end of the week over £1,000 had been taken—from children who were pretty tough customers, not parents, one of the helpers said.

The final night—Liverpool goes Roger McGough, Adrian Henri and Brian Patten reciting in the King's Hall—was another sell-out. They were the pop event of the week—people said later that Mr. Patten's trick of balancing a pint of beer in one hand while signing copies of his poems with the other was a performance in itself.

Early Sunday morning the lounge of the Craighlands Hotel, which housed many of the participants as well as an exhibition

London Pro Musica

by NICHOLAS KENYON

A most enjoyable concert of Renaissance music by wind instruments and lute by the London Pro Musica on Sunday: a threat that the music might be innumerable was averted by cogent, logical planning and an excellent programme note by Bernard Thomas.

He set each group of instruments firmly in its social context, and delineated their characteristics well—a particular revelation was the un-jocular, expressive sound of a crumhorn consort in a Schein Pavan, and the sophisticated virtuosity of a deep consort of dulcians.

Ensemble was crisp, rhythm was sharp; there were few interruptions between the pieces, and the evening as a whole bore surprise) "actual pieces of music." For the emancipation of tuning took the edge off the brilliant solos of Ross Winters on recorder and Jeremy West on cornett, but their playing had a sensitive flexibility encountered all too rarely in this music.

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Lovelight

by ANTONY THORNCROFT

Suddenly it's all lasers. On Friday the Planetarium in London unveils *Laserium*, described as a Cosmic Laser Light Concert, and from to-day the Metropole in Victoria is given over to six performances daily of Lovelight which claims to be the world's first laser beam musical.

Now lasers can do marvellous things, from having the potential to destroy the world to almost destroying James Bond in a most unseemly manner, but judging by Lovelight they lack the power to entertain. Forty-five minutes of red, yellow and blue squiggles are about forty-four minutes too many, despite the fact that they are displayed on one of the largest screens ever mounted in a cinema.

Not that much of the screen was used; not that anything was effectively used to exploit the new medium. The music was embarrassingly, cloyingly bad, and the fact that the words were muffled was only partial compensation.

The lasers were employed to compose very simple drawings of birds, fishes, animals, and the like, and although things marginally improved with the inevitable extension into outer space nothing appeared that was any gain at all on cartoon drawings. Much better use has been made of lasers, not least at the recent Royal Academy show, but no one stumbling into the Metropole will have his mind the slightest bit expanded.

National Portrait Gallery at Beningbrough Hall, Nr. York

A major permanent exhibition of portraits from the National Portrait Gallery is to be opened in 1978 at Beningbrough Hall, the National Trust property eight miles north of York. The portraits date from 1688-1760. The Beningbrough Hall was completed in 1716.

This decision will enable the National Portrait Gallery to extend to the North of England its policy of displaying some of its pictures on a permanent basis outside London. It follows the success of a similar arrangement at Montacute House in Somerset, another National Trust property, where an exhibition of

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Unthinkable. Yet that is one of the possibilities facing Westminster Cathedral unless it can raise enough money to maintain not only the choir but other great traditions of this church.

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Sir Charles Groves is school choir patron

Sir Charles Groves has accepted an invitation to become patron of Wandsworth School Choir. He succeeds Benjamin Britten, who was patron of the world-renowned choir of 300 ILEA comprehensive schoolboys from 1974 until his death last December. Sir Charles has conducted the choir on a number of occasions.

Perlman to direct ECO

Itzhak Perlman will direct the English Chamber Orchestra at their Albert Hall concert on Wednesday, June 29. The Bach-Vivaldi programme will include *Brandenburg, Violin Concerto in E major, and the Four Seasons*.

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EUROPEAN NEWS

Callaghan, Lynch not to meet this month

By Giles Merritt
DUBLIN, June 20. THE EARLY MEETING expected between Mr. James Callaghan, the British Prime Minister, and Mr. Jack Lynch, Ireland's Premier-elect, will not take place because of a constitutional snag in Dublin. Although Mr. Callaghan, in a congratulatory message to the Flanna Fail leader following his landslide general election victory, noted that they would meet in London at the European Council on June 29-30, Ireland will be represented by Mr. Liam Cosgrave, the outgoing Prime Minister. Mr. Callaghan's office was apparently unaware of the strict constitutional terms governing changes of administration in Ireland. Mr. Cosgrave's coalition Fine Gael-Labour Government remains in office until the new Dail (Parliament) convenes on July 5. Like the U.S. system, Ireland's retention for a period of the outgoing Administration is designed to ensure stability. With the Northern Ireland question expected to dominate the agenda when Mr. Callaghan and Mr. Lynch meet, Dublin officials are pointing out that a bilateral meeting would in any case be preferable to the EEC summit. The two premiers are now expected to meet later next month, probably in London, although an invitation to Mr. Callaghan to visit Dublin is not ruled out. Only one British Prime Minister has come to Ireland since the present Northern Ireland crisis erupted in 1969, and that was Mr. Edward Heath's visit in 1974. Mr. Lynch has already said the has will be seeking a fresh Northern Ireland initiative from Britain, while Mr. Callaghan will wish to establish how strongly the new Flanna Fail Government will be pursuing its October, 1975, policy statement. This calls on the British Government to declare Britain's commitment to implement an ordered withdrawal from her involvement in the Six Counties of Northern Ireland. In the aftermath of the election Ireland has been concentrating on possible leadership crises in both coalition parties.

FRANCE MOUNTS TIGHT SECURITY OPERATION Brezhnev accorded big welcome

BY ROBERT MAUTHNER
MR. LEONID BREZHNEV, the Soviet President and Communist Party leader, arrived here today on a three-day official visit to France and was received with the full honours due to his new rank of Head of State. M. Valery Giscard d'Estaing, the French President, pulled out all the stops in welcoming the Soviet leader. Not only was he greeted by a 100-gun salute, but his aircraft was escorted by four Mirage F-1 jet aircraft of the French Air Force from the French frontier to Orly airport. The security arrangements were particularly tight. Sharpshooters were posted on the roofs of the airport buildings as Mr. Brezhnev, who looked to be in good health, walked down the gangway to be greeted by President Giscard. About 3,000 security police have been assigned to protect the Soviet President of which about 1,000 are stationed around the chateau of Rambouillet, 35 miles south-west of Paris, where Mr. Brezhnev is staying and where he had his first round of talks with French President this afternoon. The exceptional precautions taken by the French authorities are probably justified since Mr. Brezhnev's visit was preceded by several hostile demonstrations, in Paris and the provinces, both by right-wing and extreme left-wing groups. The Los Angeles Times Correspondent Robert Toth has returned home from a three-year stay in Moscow that ended with three days of interrogation by the Soviet secret police, reports Reuter from Los Angeles. He said that he knew that the authorities "were mad about some of the stories I had written—very mad. At times I had the feeling the security people there were almost out of control. Emotionally you felt they were behaving like they were frightened. I just know that at times I had the feeling that the politicians were not in control." It is this problem, on which a joint declaration is due to be published at the end of Mr. Brezhnev's visit, which will dominate the talks. But the two leaders will also discuss a range of other problems, including, notably, the non-proliferation of nuclear weapons, disarmament and bilateral economic relations. A commentary published by the official Soviet news agency, Tass, suggests that the Soviet Union would like to sign with France a new agreement to reduce the risks of an outbreak of nuclear war. This would complement an agreement on preventing accidental nuclear conflicts reached by the two countries last year. On the economic side a number of new industrial co-operation agreements are due to be signed, and France is expected to grant the Soviet Union new credits of between Frs.5bn. and Frs.10bn. (about \$600m.-\$1.2bn.). Two-thirds of the credits totalling Frs.12.5bn. granted by France in 1974 have already been used by the Soviet Union. However, the rate of interest, which was 7.2 per cent for important projects in the 1974 protocol, remains to be fixed, according to informed reports here it could be raised to 7.75 per cent so as to harmonise France's credit policies towards the Soviet bloc with those of Western European countries.

Mitterrand strengthened by party Congress

BY ROBERT MAUTHNER
PARIS, June 20. M. FRANCOIS MITTERRAND, the French Socialist leader, has emerged greatly strengthened from the Socialist Party's week-end national congress in Nantes, which ended in a narrow defeat of the party's militant left wing. The left-wing CERES group (Centre for Socialist Education and Research), which was ousted from the party's Secretariat more than two years ago, in spite of its representing nearly 25 per cent of the party membership, failed both in its efforts to regain its seat on the governing body and its efforts to persuade the leadership to embody some of its policies in the Congress's final resolution. It was a famous victory for M. Mitterrand, who demonstrated conclusively in a vigorous two-hour speech that he was not only the absolute master of his party, but that recent rumours that he was seriously ill were unfounded. In the end, CERES, led by M. Jean - Pierre Chevènement, agreed to its own dissolution as an organised faction with separate headquarters and although it will clearly continue to express its views both within the party and in public. By refusing to accept a compromise between the views of the majority and the minority in his party, M. Mitterrand has laid himself open to criticism that he is employing undemocratic methods to run his party. M. Mitterrand clearly believes that any concession to the left-wing would damage the party's moderate image, which has attracted the support of more than 30 per cent of the electorate. On several important issues, CERES is closer to the Communist Party than it is to the main body of the Socialist Party. It has come out in favour of an extension of the list of nationalisations contained in the common programme of the Left, notably by the inclusion of the Peugeot-Citroen motor car and Cresset-Loire nuclear companies and rejects the official Socialist policy for companies to be nationalised only on a case-by-case basis. The differences between the two sides are even more fundamental when it comes to European unification. While the majority, led by M. Mitterrand, are strongly in favour of the EEC on condition that it adopts Socialist policies, CERES has argued that, as long as the Common Market will always be dominated by the U.S. and will thus never become a Socialist organisation.

More political terrorism in Italy as trial continues in Milan

BY PAUL BETTS
ROME, June 20. POLITICAL VIOLENCE erupted once again in several major Italian cities as the trial of Sig. Renato Curcio, leader of the Red Brigades' extremist Left-wing group, resumed in Milan today under heavy police security. In Milan this morning, extremists shot and wounded a senior manager of the Sit-Siemens electrical concern only hours after two armed commandos disguised as police officers set fire to the Sit-Siemens and Magneti Marelli Milan warehouses causing extensive damage estimated at about L40bn. (about £26m.). In Florence today extremists destroyed 18 cars after setting fire to a Fiat depot. The most militant wing of the Red Brigades Front Line, claimed responsibility for the attacks in Milan and Florence. The Red Brigades have recently waged a campaign of intimidation in several Italian cities to force the postponement of trials involving members of similar group. Recently, a spread such panic in Turin as a trial involving 30 Red Brigades members was postponed when the court was to constitute a jury. There were also strikes in Rome today when University re-opened a summer session of exams. Police literally laid siege to campus and had to break up picketing and striations by protesting students. These students, grouped in the so-called Autonomous Movement, are protesting the Government's recent reforms. Student protests in Italy have been perhaps the most violent since the late 1960s, the so-called Strategy of Tension. There is now clear evidence these student protests have been penetrated by exponents of unclear political ideas, according to authorities, are now at it to revive the Strategy of

Comecon likely to voice energy fears

BY CHRISTOPHER BOBINSKI
WARSAW, June 20. ANXIETY ABOUT future supplies of energy and raw materials, especially oil, from the Soviet Union are expected to be voiced at the thirty-first meeting of Comecon, the economic grouping of the Soviet bloc. The conference which opens here tomorrow is expected, however, to review progress over the past year, rather than take any new decisions. Fuel needs and doubts about the Soviet Union's ability to meet them are growing. Last year the Comecon countries imported 27.2 per cent of their oil from outside the bloc; Poland, for example, which is paying Roubles 48 (800) per tonne for its Soviet oil, imported less oil from the Soviet Union last year than the year before. This year's meeting, which is scheduled to last three days, will review progress on Comecon projects at present being constructed in the Soviet Union, like the Orenburg gas pipeline and the Ust Ilimsk cellulose plant. It will also review scientific and technical co-operation and progress in planning long-range co-operation in the five key areas designated at last year's session: energy and raw materials; the machine industry; food production; consumer goods; and transport. Co-operation among member countries in the 1981-85 five-year plan will also be discussed and the Comecon programme for producing nuclear energy equipment will be approved. Workers' Defence Committee sources today said that letters signed by hundreds of people demanding the release of nine WDC members and sympathisers have been sent to the authorities. The letters include one signed by 425 Warsaw intellectuals and students, another containing 99 signatures from Lodz students, and one from a rural parish near Warsaw where the 349 signatories state that they themselves suffered similar repressions in the past when they expressed the desire to build a new church. Other letters already sent have numbered among them one from a group of 33 academics, including eight professors, from Wrocław, 300 people, have also protested but have not made the fact public, say WDC sources.

Belgrade neutrals to draft agenda

BY PAUL LENDVAI
BELGRADE, June 20. IN AN EFFORT to bridge the gap between Soviet and Anglo-American proposals, diplomats of nine non-aligned states decided today to set up an informal working group to draft an agenda for the 35-nation follow-up conference on European security to be held next October in Belgrade. The group, comprising representatives of Austria, Switzerland, Sweden, Finland, Yugoslavia, Malta, Cyprus, Liechtenstein and San Marino, is hoping it may be able to table its agenda by Wednesday. Ominous warnings came from Soviet bloc representatives at today's sessions. Ambassador Dvorak of Czechoslovakia warned that "a thorough exchange of views will not be possible unless it takes place within the context of strengthening co-operation and security." Soviet Ambassador Vorontsov said, in what purported to be a joke, that he had noted several attempts of rebellion against the final act of the 1975 Helsinki Conference. While the Eastern bloc delegates, he said, had privately hinted at political preconditions for the holding of the autumn conference, American diplomats repeatedly stressed in formal talks that the U.S. cannot accept the unification of the two items of the British-U.S. draft agenda, the review of the past and provisions for the future. This would mean avoiding any criticism of violations of the human rights provisions in the Helsinki accords. It is regarded as highly significant that the Yugoslav and Romanian delegations today came out basically in favour of the Western approach: first, review of the Helsinki accords, followed by discussions of the future and completed by agreement on arrangements for further follow-up meetings. Ambassador Lipatti of Romania said that the main conference cannot be simply a consultation where "one speaks about everything but does not decide on anything." Furthermore, the conference should review and decide on new proposals to deepen dialogue. He implicitly criticised not only the West but also the Soviet bloc, when he said that members of the two draft agendas "was satisfactory." It is now increasingly evident here that on the three crucial points the Soviet bloc finds itself in a growing isolation. Both the West and the non-aligned States seek detailed discussions of the implementation of the Helsinki accords, support a clear organisational structure for the autumn conference with a range of sub-commissions, and want provisions for further follow-up meetings, possibly within two to three years.

Prime rate cut likely

BY OUR OWN CORRESPONDENT
ROME, June 20. ITALY'S commercial banks are expected to reduce their lending rate to prime borrowers by between 1 and 2 per cent, this week. The prime rate is currently at a record high of 19.5 per cent. The reduction, expected to be announced after a meeting tomorrow of Assobanca, the Italian bankers' association, follows the two point cut to 13 per cent in the Bank of Italy's discount rate last week. The reduction in the discount rate is widely regarded here as an indication that the monetary authorities believe that they have arrested the attack on the lira which over the past 18 months has seen its rate against the dollar decline by almost a third. Artificial lira defence mechanisms, like the import scheme and a foreign exchange surcharge, have now all phased out. The likely reduction in the prime rate is seen as a measure to boost expansion but to contain the recent deindustrial production. Any small cut in the rate, however, is unlikely, the door to so-called easy money. A number of monetary conditions still remain including the bank's requirements with the bank, the compulsion to invest a large portion of deposits in relatively low yielding Treasury bonds, continuing limits on expansion.

Bonn vote of confidence

BY ADRIAN DICKS
BONN, June 20. HERR HELMUT SCHMIDT, the West German Chancellor, faces a personal vote on confidence tomorrow during the Bundestag debate on the 1977 federal budget, when the Christian Democratic Opposition is seeking to ensure him for a procedural slip-up when he was Finance Minister in 1973. The Chancellor is not expected to be in any danger of losing the vote, in spite of the desertion of two of his Social Democratic deputies during last week's vote on the Government's tax reform package. Both SPD leaders and their Free Democratic coalition partners hope to demonstrate their confidence motion this alliance is in better shape both Press reports a nervous one of week-end speeches suggest. For the opposition, it represents a move toward aggressive parliamentary action. The Christian Democratic also now expected to vote the defence budget, a has only once taken before which would be done last week's victory for Herr Josef Strauss' Bavaria and others in the Opposition.



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Denmark's economic problems are worse than at any time since the war. Hilary Barnes, Copenhagen, examines possible remedies

Dilemma for the Danes

The usual engaging optimism of the Danes in face of mounting economic problems has taken a knock with the publication during the past few weeks of a succession of thoroughly pessimistic reports on the country's economic performance and prospects. The annual OECD report on Denmark (written, incidentally, by a Dane) catalogued the errors and missed opportunities of the past 16 years. The European Hudson Institute published a critical 400-page survey which concluded that reduced public spending was the key to reasonable growth in the period to 1990. But the report which made most impact was from joint chairman of the country's own Economic Advisory Council ("the three wise men"), which was so black that it brought immediate political demands for the Government to "do something." The Government responded by calling a special session of the Folketing at the end of August to put through a new round of stabilisation measures. It will spend the rest of the summer discussing with other political parties and labour and business organisations what measures are required. The OECD expert, polite but ruthless, described how Denmark has run a current balance of payments deficit since 1960 averaging 2 per cent of GNP a year. This has been accompanied by a decline in export market shares, while the average rate of inflation from 1960-73 was 6.4 per cent, or 1.4 per cent more than the OECD average, and the worst rate in the OECD. Real fixed business investment, meanwhile, declined steadily over the period as profits fell as a share of factor income. If the OECD chronicled past decline the Advisory Council described what would happen unless there is a much improved performance. If the country continued to run current external deficits of the size of last year's, Governor Erik Hoffmeyer, of the Central Bank, said in a recent speech, Denmark would have to submit to administration by the bailiffs of the IMF. The economic prospects are worse than at any time since the Second World War, said the council. Unemployment was running at over 7 per cent, and unlikely to improve before 1990. The current balance of payments deficit is also larger than at any time since 1960. In 1976 the deficit at Kr.11.5bn. was equal to about 5 per cent of gross factor income. The council said that the deficit would remain at around Kr.11bn. for the next few years, gradually declining to go to the IMF as a condition of continuing to finance the external deficit. The Government's official forecasts for this year and next are in close agreement (but there is no collusion) with the Advisory Council's. The Government predicts a 1.3 per cent real GDP growth rate this year rising to 3.5 per cent in 1978. The council's forecast for this year is identical and for next year it forecasts 3 per cent growth. But on one point the two forecasts diverge. The Government expects the current balance of payments deficit to come down to about Kr.2.5bn. this year and to Kr.2bn. in 1978. The foreign trade figures for the first four months of the year are not incompatible with this. Exports have risen by 13.9 per cent to Kr.19.9bn. and imports by 7.2 per cent to Kr.26.2bn., reducing the trade deficit by about Kr.660m. The Advisory Council's analysis of what can be done to turn the economy in the right direction is about as encouraging as its forecasts. Its preference is for a long-term incomes policy, but this could not be introduced in any case until the spring of 1979, when the next collective wage agreements are due, and the experience of incomes policy this year inspires no confidence in its feasibility. The alternatives to incomes policy are devaluation and/or selective measures of support for exporting and importing competing industries. The council report said that a big one-off devaluation risked producing increased inflation and nothing else. Small adjustments within the European snake would not bring about the necessary improvement in competitiveness, but only prevent further deterioration. Creeping devaluations would also produce the same inflation risk, but against the krona and thus imply high interest rates (long term interest rates are today about 16 per cent). The one cure that the report rules out is the achievement of external balance by demand restraint alone. It estimates that to balance the current account by 1980 would require a reduction in private and public consumption by 6 per cent, compared with

AMERICAN NEWS

Blumenthal backs Fed interest measure

By David Bell WASHINGTON, June 20.

MR. MICHAEL Blumenthal, the U.S. Treasury Secretary, said today that the administration supports a Bill now before the Senate which would allow the Federal Reserve to charge interest on the reserves of member banks which it is required to hold. This measure is designed to stop the fall in membership of the Federal Reserve. This has been declining over the past few years, as smaller banks have been unable to meet the cost of depositing a proportion of their reserves with the Fed without interest. All member banks are required, as a condition of membership, to deposit 7 per cent of their reserves with the Fed from 7 per cent to 5 per cent. Mr. Blumenthal said that the administration also backs a provision in the Bill which would allow banks to demand deposits of less than \$15m to reduce their reserves with the Fed from 7 per cent to 5 per cent. At the same time, the Secretary said the administration has decided to set up a task force to study the impact of the Federal Reserve's power to impose interest rate ceilings on time and savings deposits. Mr. Blumenthal also discussed at some length, in his testimony before the Senate Banking committee, his support of the provisions in the same Bill which allow banks to charge credit unions to offer interest-earning transaction accounts but only for the moment at least, to their individual customers.

Alaska oil pipeline starts work amid doubts over costs

By Jurek Martin, U.S. Editor NEW YORK, June 20.

THIS MORNING, the first trickle of Prudhoe Bay oil dropped into the mouth of the Trans-Alaska Pipeline to begin its 800-mile journey south to the ice-free port of Valdez. It was a quiet start to one of the most controversial, delayed and expensive civil engineering projects in the western world, the cornerstone to British Petroleum's grand American strategy. It will take about a month for the first oil to reach Valdez, travelling at a mere 1 mph through the 48-inch pipeline with tests being conducted all along the route. If there are no hitches, the flow of oil will be gradually stepped up reaching 600,000 bpd by mid-August and possibly 1.2m bpd by October, but this may not occur until the end of the year. By September, the first tanker loaded with Alaskan crude could be steaming out of Valdez. And yet, almost as many uncertainties persist over the future of Alaskan oil as they did when the pipeline project was first mooted eight years ago. Outstanding are such items as the price the oil can command, the tariffs the pipeline operators can charge and perhaps above all, the final destination of Prudhoe Bay crude, a good part of which may yet wind up in Japan rather than the oil-deficient U.S. But at least the pipeline is in place and about to be put into use. When the first proposed in 1968, the projected cost was a mere \$700m. The final bill is likely to come close to \$9bn, a result not only of inflation but also of the rigorous construction

The Bahamian Government is in deep trouble with the voter

The square deal that collapsed

By Nicky Kelly in Nassau

WITH A general election in the Bahamas believed to be only weeks away, a bitterly-divided opposition has improved Prime Minister Lynden Pindling's chances of victory. However, a decade after taking office, the Prime Minister's Progressive Liberal Party (PLP) government is still in deep trouble with the Bahamian electorate. Economic decline, widespread unemployment and charges of high level corruption have badly eroded the popularity of a party that swept to power on the promise of a square deal for the country's black majority. PLP unity has been further weakened by the Prime Minister's determination to be rid of the "dead wood" which he admits has undermined his party in recent years. The PLP's problems have provided little comfort for its opponents, however. A split in the Free National Movement rather than the issues—has left thousands of voters stranded in a political no-man's land. Last December the FNM's parliamentary representatives quit to form the Bahamian Democratic Party. The BDP, with backing from former members of the defunct, white-dominated United Bahamian Party, is now recognised as the official parliamentary opposition. Efforts since then to work out a joint FNM-BDP slate have collapsed amid charges and counter-charges about the number of candidates to be fielded by each party. Constitutionally, the next election must be held some time before October. Political observers doubt, however, that the Prime Minister can wait so long. Mr. Pindling has admitted publicly that unemployment and corruption are the two major issues facing his party. Also at stake, say his opponents, is the free enterprise system versus a growing encroachment by Government on the private sectors of the economy. The Government's purchase of five hotels and a dairy and poultry farm has been denounced by the opposition as the first step in

a calculated plan to force Jamaican-style socialism on the Bahamas. They contend that the only way to cut unemployment is to abandon big Government spending programmes and stimulate the private sector instead. The FNM and BDP have also questioned how—shortly after further taxation—the Government proposes to pay off these limited job opportunities. The trade unions, at one time the bedrock of PLP support, have openly criticised the Government's failure to produce constructive programmes for the ending unemployment. Attempts by them to reach political accommodation with the FNM ended, however, with that party's encouraged expectations it has been unable to fulfil. A top-rapid attempt at Bahamianisation (participation by Bahamians in local industry) in the 1973-75 recession, reduced foreign investment sharply. A contracted job market has since pushed unemployment to over 20 per cent, with 46 per cent of the unemployed between 14 and 24. Although the Bahamas is among the world's most stable countries, there is reason for concern about the future. The small island nation has the second highest population growth rate in the hemisphere, 39 per cent. Of it illegitimate. Some 44 per cent of the population is under 15 years of age. In the past 20 years the population has more than doubled to 200,000 and is expected to double again to

400,000 by 1985. Pressure for jobs, health care, education and housing has been intensified by thousands of illegal Haitian and Jamaican immigrants, whose children now account for 28 per cent of all births. The situation is potentially explosive in a country with a shortage of resources and limited job opportunities. The Government's failure to produce constructive programmes for the ending unemployment. Attempts by them to reach political accommodation with the FNM ended, however, with that party's encouraged expectations it has been unable to fulfil. A top-rapid attempt at Bahamianisation (participation by Bahamians in local industry) in the 1973-75 recession, reduced foreign investment sharply. A contracted job market has since pushed unemployment to over 20 per cent, with 46 per cent of the unemployed between 14 and 24. Although the Bahamas is among the world's most stable countries, there is reason for concern about the future. The small island nation has the second highest population growth rate in the hemisphere, 39 per cent. Of it illegitimate. Some 44 per cent of the population is under 15 years of age. In the past 20 years the population has more than doubled to 200,000 and is expected to double again to

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Mr. Lynden Pindling

there have been no satisfactory explanations. Mr. Pindling, who is reported to be anxious to change his party's image, last year pushed through tough legislation to curb bribery and corruption and force Parliamentary members to publicly disclose their financial interests. A number of PLP representatives openly rebelled against the prospect. In a showdown last month with the PLP's National General Council, the Prime Minister threatened to resign unless permitted to hand pick his party's candidates. The move was seen as an attempt to end party factionalism and to strengthen Mr. Pindling's authority over his legislators. Insiders claim that it is the frictions within the PLP, rather than a lack of confidence in the country, which are frustrating local and foreign investment efforts.



Leading economists see 18 months' steady growth

By Our Own Correspondent NEW YORK, June 20.

THE U.S. can expect another 18 months of sustained economic growth, according to a survey of leading economists conducted by the Conference Board, a noted independent organisation. The consensus of the principal forecasters for the 1978 calendar year show: A rise in real gross national product of 4.8 per cent, compared with the 5 per cent prediction for the current year. Consumer prices to increase by 6.2 per cent next year, against an anticipated 6.5 per cent for this year. Unemployment will average 6.5 per cent over the year, versus 7.1 per cent this year. Industrial production will rise by 5.4 per cent, lower than the projected 6.2 per cent for 1977. Corporate profits should be 10 per cent higher next year. These forecasts do not differ radically from those of the Carter administration. Indeed, the principal area of disagreement between the economists centred on that element in the economy which is causing the Government some uncertainty—the rate of business capital investment.

Here, the survey found projections ranging from 3.18 per cent growth in investment in 1978. The administration is continuing to hope for an increase of 9-10 per cent in real terms this year, though some official forecasts have suggested it may not exceed 8 per cent. As senior administration economists have freely acknowledged, capital investment is important in underpinning growth, because both consumer spending and inventory adjustment are likely to be less important contributory factors in the year ahead. The latest statistics on personal income tend to confirm this view. The indicator went up by 0.6 per cent in May, a smaller increase than in the previous month and, on the basis of figures so far this year, an advance that is less than the growth in consumer prices. The May returns on cost of living increases are due to be released to-morrow and, while they may show some abatement, the rate of increase is likely to be of a magnitude which would have increased real consumer spending power.

U.S. tough line on loans

By Hugh O'Shaughnessy

THE CARTER Administration is stepping up action against those governments which it regards as persistent violators of human rights. Last week the U.S. abstained from voting at the World Bank on an Argentinian application for a \$100m loan. The hardening of the Washington line was foreshadowed by Mr. Andrew Young, U.S. Ambassador to the UN, at the conference of the UN Economic Commission for Latin America, which closed in Guatemala City last month, and by Mr. Cyrus Vance, the Secretary of State, when he attended the assembly of the Organisation of American States in Grenada, last week. With the U.S. Congress seeking to bind the administration even more closely to the blocking of funds to governments found to be violating human rights, the number of Latin American governments will find it increasingly difficult to obtain funds from the international financial institutions. The administration is already bound to vote in bodies such as the Inter-American Development Bank against governments infringing certain norms of human rights. More concretely, there is an expectation in Washington that the next application by Chile for a loan from the World Bank will be voted down if the western European countries vote with the U.S. Chile, it is thought, may seek to avoid what would be seen as a humiliation by withdrawing loan applications in the hope that the Carter human rights campaign will become blunted. Alternatively, a loan for Chile could go through if it were proved to the satisfaction of the U.S. Congress that the funds were to be disbursed exclusively and entirely to the benefit of the least prosperous sections of Chilean society.

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AMA in health care clash

By David Bell WASHINGTON, June 20.

THE CARTER administration has once again singled out the U.S. medical profession for its first hesitant step in this direction with a call to hospitals to stop their costs rising by more than 9 per cent in the current financial year. This has already unleashed the anger of the American Medical Association, which was not at all associated on Sunday when Dr. Joseph Califano, Secretary of Health, Education and Welfare, addressed the AMA House of Delegates. Mr. Califano said that the U.S. health care system is "very costly, virtually non-competitive and obese" and that it "needed, and would get, profound reform." He said that the health industry had ignored poor people

in cities and rural areas, and chosen to concentrate instead on more lucrative practices in the suburbs. He disclosed a series of disturbing statistics compiled by his Department which, he said, show that 18m. Americans have no health insurance at all, 18m. more have only the most skeletal coverage, and nearly half of those under 65 lack enough insurance to cover costs in such illnesses as cancer. People over 65 in the U.S. are covered by Medicare, a Government programme which is currently under investigation following accusations of fraud by a small minority of doctors. Dr. James Sammons, who followed Mr. Califano on the platform and is executive vice-president of the AMA, said that the Administration position was "a lot more futuristic substance." Dr. Sammons, pointing to Britain as an example, said that, as soon as costs became the priority, rather than the improvement of health care, "you wake up one day to find you have a second-rate medical care system."

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OVERSEAS NEWS

Twelve on terrorist charges in S. Africa

By Quentin Peel
JOHANNESBURG, June 20. TWELVE people appeared in court in Pretoria today on charges arising out of a hand grenade attack which seriously injured two policemen near the Swaziland-South African border in November last year.

At the same time, Mr. Breyten Breytenbach, the leading Afrikaner poet sentenced to nine years' imprisonment on terrorist charges last year, appeared on 17 charges under the Terrorism, Firearms and Riotous Assemblies Acts.

The 19-21 men and one woman—accused of setting up a transport route to smuggle recruits out of South Africa through Swaziland into Mozambique, and using the same route to bring arms, ammunition and explosives back into the country.

The accused are said to be members of the banned African National Congress, the South African Communist Party and the Spear of the Nation black liberation movement.

Opening the case, the state counsel, Mr. N. Gev van Rensburg, said the 12 were accused of "selling black liberation to Russia".

In the second case which opened in Pretoria today, Mr. Breyten Breytenbach pleaded not guilty to 17 charges, including an attempt to persuade a prison warden to help him escape and to smuggle out letters and documents.

The warden, the prosecution said, was eventually persuaded to join the militant Okhela wing of the African National Congress, and arrangements were made for him to go to Russia for training.

Meanwhile, all was quiet again today in black townships throughout South Africa. The total death toll for last week's disturbances coinciding with the anniversary of last year's Soweto riots, stands at 11.

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Begin presents a cabinet of unknowns to Knesset

BY DAVID LENNON

TEL AVIV, June 20

A CABINET of largely unknown faces was this afternoon presented to the Knesset by Mr. Menahem Begin, leader of Israel's Likud bloc, who earlier today informed President Ephraim Katsir, that he had succeeded in forming his coalition.

In his speech to the Knesset, Mr. Begin appealed to Presidents Sadat of Egypt and Assad of Syria, and King Hussein of Jordan, to confer "whether publicly or outside the limelight, to discuss the establishment of real peace between them and Israel."

Mr. Begin also placed the foundation of the new Government would be to strengthen Israel's friendship with the U.S. because both countries "share a genuine partnership of interest."

It is expected that 63 out of the Knesset's 120 members will now support him in the vote of confidence he needs to become Israel's sixth Prime Minister, and the first premier not from the Labour Party in the history of the State.

The participation of Likud's two coalition partners—the National Religious Party and the ultra-religious Aguda—was in fact assured within days of Mr. Begin's election victory on May 17.

The only imponderable was whether the narrow right-wing coalition of nationalistic and religious elements could be broadened by the inclusion of the centre Democratic Movement for Change.

The DMC broke off negotiations because of Likud's hard-line foreign policy. However, Mr. Begin has left three portfolios open, in the hope that they may later agree to join the coalition.

Most of the members of Mr. Begin's 13-member cabinet are unknown quantities to the majority of the population, and few of them have any previous ministerial experience.

Only four other members of the Cabinet have any ministerial experience. Mr. Moshe Dayan, 62, the Foreign Minister, previously served as Minister of Agriculture, and Minister of Defence. Dr. Yosef Burg, 68, the Interior Minister, has served in every Cabinet since he entered the Knesset in 1951 as a representative of the National Religious Party.

His NRP colleague, Mr. Ze'evulun Hammer, 41, Minister of Education, joined the previous Cabinet in November 1973 as Minister of Social Welfare. Mr. Ezer Weizman, 53, Ab-Hatezra, 39, Minister of Absorption, Mr. David Levi, 40, the three posts held open for DMC Ministers are Transport and Communications, Justice, and Social Betterment.

Mr. Weizman, who made his name as a highly successful commander of the air force in the 1950s, is one of four businessmen in the Cabinet.

Mr. Simcha Erlich, 62, Minister of Finance, founded and for many years headed a company making optical equipment. Mr. Yigal Horowitz, 58, Minister of Commerce, Industry and Tourism, originally a farmer, entered business and earned himself an enviable reputation for rehabilitating ailing firms.

Mr. Yitzhak Medal, 51, Minister of Energy and Infrastructure, a former career officer who served in Israel's military delegation to London in the 1950s, is today managing director of Revlon (Israel) Ltd., the cosmetics manufacturer.

The new Minister of Agriculture, Mr. Ariel Sharon, 49, made his name as a daring military commander, especially in his counter attack across the Suez Canal during the 1973 war.

The other members of the Cabinet are Minister of Health, Mr. Eliezer Shoshitak, 68; Minister of Construction, Mr. Gideon Patt, 44; Minister of Religious Affairs, Mr. Aharon Ab-Hatezra, 39; Minister of Absorption, Mr. David Levi, 40. The three posts held open for DMC Ministers are Transport and Communications, Justice, and Social Betterment.

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WORLD TRADE NEWS

W. Germany cautious on airliner projects

By Adrian Dick

BONN, June 20

WEST GERMANY appears to be reacting with marked caution to the ambitious plans laid before it by France last week for further joint co-operation in civil airliner projects.

During last week's summit talks here, President Valéry Giscard d'Estaing and his Prime Minister, Mr. Raymond Barre, spent some time explaining to Chancellor Helmut Schmidt and other members of the West German cabinet the details of the three important proposals put forward by M. Barre at the Paris Air Show 10 days ago.

Starting from the fact of the A-300 European Airbus, of which Bonn is just as proud as Paris, M. Giscard and M. Barre suggested that France and Germany build from this basis of co-operation three derivatives of the Airbus design. The most important of these would be the A-300, a 160-180 seat, medium-range aircraft similar to the proposed BAC X-111, to come into service in the early 1980's.

A third idea put forward by the French was that the two countries re-open production lines of the Transall C160 military transport as a means of safeguarding jobs.

Bonn has already agreed to the funding of the Transall studies for the A-300, B-10, but it has given a minimal response to the other projects, agreeing only that joint studies of the market for the A-200 type of aircraft should be undertaken by the two national partners in the Airbus project.

Although Bonn sets a high priority on the need to strengthen the European aircraft industry through joint projects, it is likely to need a lot of persuading that they can make sense.

Further, the West German Government was given a solemn warning by its co-ordinator for the aerospace industry, Dr. Martin Gruner, of the dangers of Europe's potential being weakened by splitting up into different groups engaged in participating in major projects designed by U.S. manufacturers.

For both these reasons, Bonn is extremely keen to see the next big new civil airliner project involve the U.K. as well as France and Germany, and it is concentrating on trying to interest the British in taking a share in the A-300 programme.

INDIAN preferences
By K. K. Sharma
NEW DELHI, June 20. THE INDIAN Government announced today that the remaining trade preferences given to Britain would be withdrawn on July 1, 1977, and trade between both countries would henceforth be on the most favoured nation basis.

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Commission faces dilemma on French import control

BY DAVID BUCHAN

BRUSSELS JUNE 20

THE EEC Commissioners are trying to establish the exact nature of the textile import quotas that France announced over the weekend before deciding whether to order France to revoke the import controls which are due to come into force on Wednesday, or to adopt them in a Community framework.

Vice-President Etienne Davignon, the EEC Industries Commissioner, took advantage of his presence in Paris on other business to obtain these clarifications.

The Commission is obliged to act one way or another because import controls are only supposed to be imposed on a Community basis.

It faces the same dilemma with regard to measures that Italy took on May 27 to block imports of Japanese motor-cycles, and sound recording components in protest at alleged Japanese restrictions on Italian ski-boots.

Of particular concern to the Commission are the quotas that France intends to place on textile imports from Tunisia, Morocco, Spain, and Turkey—which all have association agreements with the Community—and from Mauritius which is a party to the Lomé accord with the EEC.

Officials here are studying the French measures to see whether these agreements will be infringed and, if so, whether justifiably. France is also taking action under the GATT 22 guard clause Article 19, to shut imports of four products—shirts, blouses, and coats—throughout the Community.

The French Government reported to have said that quotas will be taken off with the Multi Fibre arrangement renewed next year.

EEC officials hope that new French restrictions do not mean a change in the hard-core French agreement to a Community mandate for negotiating in Geneva to renew the Multi Fibre arrangement in 1981, and it is still the expectation that that mandate will be Council of Ministers' approval tomorrow.

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Indian plan to export all output of big industries

BY K. K. SHARMA

NEW DELHI, June 20.

MR. CHARAN Singh, India's Home Minister, has created a major controversy by announcing that he plans to ask the Government to export all industrial output to other countries.

Mr. Charan Singh, who is the architect of the Janata economic programme for decentralisation, has not spelt out details of the proposal he plans to present to the Cabinet.

Since existing industries cannot obviously be dismantled if they are unable to export their products, what thought will be given to industrialisation.

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Rhodesia invites observers

SALISBURY, June 20.

RHODESIA has invited Britain and the United States to send observers to its border with Mozambique, which has accused Rhodesia of invading it.

A Rhodesian Government spokesman said last night the invitations were made to the British and U.S. Governments.

Observers seek the invitations as part of a Rhodesian Government public relations exercise to counter claims by President Samora Machel of Mozambique that Rhodesian army cross-border raids have reached the scale of an invasion.

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ROBERT STRAUSS

The pure political animal

HOME NEWS

NZ Premier offers safe haven to Ulster victims

BY OUR BELFAST CORRESPONDENT

MR. ROBERT MULDOON, the New Zealand Premier, on a surprise visit to Belfast, has agreed to allow his country to be used as a safe haven for people on the run from the violence in Ulster.

"Obviously nothing will be done to put the New Zealand community at risk," he said. But he admitted that his country's normally strict immigration laws were being waived.

New Zealand earlier this year. Peace leaders said that other Governments had agreed to accept people fleeing from Ulster but they refused to name the countries.

U.S. had aligned itself with the cause of peace in Ulster. Meanwhile, the mainly Roman Catholic Social Democratic and Labour Party, last night met Mr. Kenneth Newman, the Royal Ulster Constabulary Chief Constable.

Ministers to debate N. Sea oil safety

By Ray Dafter, Energy Correspondent

GOVERNMENTS WITH North Sea oil interests, including the U.K. will try this week to thrash out new exploration and production safety arrangements.

A Ministerial meeting is to be held in Oslo to-morrow primarily to discuss the lessons learned from the well blow-out on an Ekofisk production platform in April.

Those taking part will also review general safety arrangements and look, in particular, at ways of taking concerted action against oil pollution.

The U.S. delegation will comprise Mr. Stanley Clinton Davis, Parliamentary Under Secretary of State at the Department of Trade; Dr. Dickson Mabon, Minister of State for Energy, and officials from the Departments of Trade, Energy and Environment.

Other participants will include delegations from the other North Sea states: Norway, Denmark, West Germany, Netherlands, Belgium, France and Sweden. Observers from Canada, Finland, Iceland, Eire, the U.S. and the EEC will also be present.

Among the subjects likely to be discussed will be the provision of fire fighting and emergency vessels to cope with oil spills, platform fires and well blow-outs. There is considerable debate within the offshore industry and between governments as to whether these vessels should be provided by companies on a consortium or field by basis, or whether governments should sponsor an emergency fleet with the costs charged to oil companies.

MAN IN THE NEWS

A delicate balance

BY MARGARET REID

IN PICKING Mr. Charles Williams as the next chairman of the Price Commission, the Government has clearly aimed to place in this key post somebody who can be expected to understand both industry and the unions' viewpoint in the coming delicate stage of the incomes policy.

Mr. Williams is one of the few people who is both a senior City banker—he is at present one of the 15 managing directors of Barings Brothers—and a member of the Labour Party, indeed a former Labour Parliamentary candidate.

His selection can be seen as in the same tradition as other top appointments by the Labour Government of their members or sympathisers, such as that of the banker and industrialist Mr. Peter Parker, as chairman of British Rail, and Mr. Leslie Murphy, the merchant banker, as deputy chairman of the National Enterprise Board.

To Mr. Williams, 44 will fall the task of administering the proposed new more flexible Price Commission policies.

This will plainly be no trouble-free assignment at a time when the planned new Price Commission system is under fire from the Confederation of British Industry, while the unions are insisting that prices should be more effectively curbed.

Mr. Williams was at pains yesterday to stress that understanding of industry and a desire to avoid a "Star Chamber" approach in running the new Price Commission rules would be the aim of himself and his colleagues.

His three vice-chairmen include two industrialists, Dr. Gordon Hobday, chairman of Boots, and Mr. Seamus Sweetman, vice-chairman of Unilever, as well as Mr. John Hughes, vice-principal of Ruskin College, Oxford (the trade unions' college), who is a radical Labour Party thinker on finance for industry problems.

Mr. Williams had some reassurance for companies worried whether the judgments which the Commission would have to make would safeguard profits as adequately as necessary or prove



Mr. Charles Williams (left), new chairman of the Price Commission, with Mr. Roy Hattersley, Secretary for Prices and Consumer Protection, when Mr. Williams' appointment was announced yesterday.

even as satisfactory in their eyes as the preceding system. "I would hope very much that the sort of recommendations we make on prices would take into account the importance for industry of making a proper return on capital."

"I don't see how you can get a proper degree of industrial investment in the U.K. unless return on capital is adequate," he said.

It remains to be seen how far Mr. Williams, when he takes over the Price Commission chairmanship on August 1 from Sir Arthur Cockfield—a one-time Labour Revenue Commissioner and former finance director of Boots—will command the confidence of industry and the unions.

He is less well-known than Sir Arthur was at the time of his appointment—and a good deal younger, although, with his cool, balding appearance, he fully looks his 44 years.

the City's top 17 merchant banks, the accepting houses—his earlier role in the bank had to do with international finance, while his previous job with Eurofinance also had an international flavour. However, he was closely concerned with industry as a BP employee early in his career, and was concerned at Eurofinance with mergers and take-overs, something which could become relevant if the Price Commission turns its eye to industrial competition.

quasse funditus se totumque M. Williams comes to his new role after several years of received concern with politics, including a much-discussed interest in the prospective Labour Parliamentary candidature at Vauxhall where, however, economics don Mr. Stuart Holland was adopted last week. Mr. Williams had fought Colchester for Labour in 1964.

He is also vice-chairman of LEFTA, the Labour Economic Finance and Taxation Association of economic pundits in the finance side of Barings—one of

Strike will hit 14,000 children

By Michael Dixon, Education Correspondent

STRIKES AFFECTING about 14,000 children in Oxford are to be started next Tuesday by the National Union of Teachers. Nearly 400 NUT members at 35 schools in and near the city will be involved.

The stoppages will be the third stage in the union's campaign to prevent the dismissal next month of teachers whom the Oxfordshire local authority has engaged over the past year on short-term contracts.

NUT members are already refusing to supervise school meals and to teach over-sized classes, in support of teachers holding the equivalent of 160 full-time posts whom the union says are under threat of dismissal.

It also claims that a further 80 are under contract only until August 1978, and that in the longer term the Oxfordshire authority's proposed savings in educational spending imply the sacrifice of more than 420 full-time posts.

Union officials demanded in London yesterday that the authority should give categorical assurances that there would be no dismissals at the end of the term, and that it should make "positive and definite moves to avert" the sacrifice of teaching jobs.

The authority could afford to keep employing the teachers, Mr. Fred Jarvis, NUT general secretary, said. It had £2.9m. in reserves, £6.25m. in contingency funds, and a further £600,000 in hand before it reached its cash limits.

Go-ahead for atom smasher conversion

BY DAVID FISHLICK, SCIENCE EDITOR

NIMROD, Britain's biggest atom-smashing machine, is to be converted into a new kind of research instrument at a cost of £11m.

Government approval for the project was announced yesterday by Mrs. Shirley Williams, Secretary for Education and Science, at the Science Research Council's Rutherford Laboratory near Didcot.

Mrs. Williams described the conversion as one of the biggest scientific projects to be undertaken in the country for a long time, and one which promised to take the nation to the forefront of research involving neutrons.

The powerful neutron pulses will be used to explore new kinds of radiation treatment for disease and the effects of ionising damage on engineering materials, as well as for more fundamental studies.

Approval

The idea is to provide the GeV Nimrod accelerator, in use since 1960, with a new magnet and other apparatus so that it generates an intense beam of neutrons—the most intense experimental source of these particles anywhere in the world.

The new research instrument will be known as a spallation neutron source.

In the early 1970s, British



MRS. WILLIAMS 'To the forefront of research'

scientists had hopes of winning Government approval for plans to build a special type of nuclear reactor, known as the high flux beam reactor, to generate neutron beams of this kind.

Approval was not forthcoming. Instead, the Government negotiated Britain's participation in a £33m. Franco-German facility

at Grenoble for experimenting with neutron beams.

The spallation neutron source, which makes extensive use of existing equipment, can be built, it is believed, for less than one-quarter of the cost of a special reactor.

If the new instrument were being constructed from scratch it would cost more than twice the estimate. But the project as planned can make use of buildings, control computer, linear accelerator, and water cooling and magnet power supplies from the existing accelerator.

Construction of the new instrument is expected to begin later this year and take about three years.

When operating it should generate neutrons at between 10 and 1,000 times the rate of the Grenoble facility, at present the focus of European neutron beam physics.

The Science Research Council's budget for research with neutron beams is about £7.5m. this year.

Ministry asks chemical industry to advance investment plans

BY KEVIN DONE, CHEMICALS CORRESPONDENT

THE GOVERNMENT has urged the chemical industry to bring forward its major investment schemes, which over the next three years could total some £3.3bn.

Speaking at the opening of Eurochem, the international chemical and process engineering exhibition in Birmingham, Mr. Alan Williams, Minister of State for Industry said it was time for chemical companies and their suppliers to consider whether they could advance their plans with assistance from the Government's recently established Selective Investment Scheme.

It was particularly important that plant and equipment suppliers should consider this in order to avoid bottlenecks appearing as the heralded upturn in the economy gathered momentum.

A total of 130 projects was now receiving detailed appraisal under the scheme, said Mr. Williams, who stressed that

a wide range of financial assistance was available to aid the expansion of the chemical and petrochemical industries.

The Department was also anxious to receive applications for worthwhile research and development projects, for which there is £500,000 of assistance available.

"Our objective is to maximise the added value from our North Sea reserves," said Mr. Williams. To that end the Government was giving the chemical engineering industry considerable support.

Eurochem is the largest chemical industry exhibition and conference to be staged in Britain for several years. The conference, which has drawn more than 10 per cent. of its 500 delegates from overseas, is concentrating on three main areas of challenge facing the industry, feedstocks, safety, and the protection of the environment.

Mr. George Jackson, chief design engineer of Rio Tinto

Zinc, commenting on inorganic raw materials, said that there was a possibility of a minerals famine in the mid to late 1980s.

Supply would continue to expand for several years on the back of projects already under construction. But investment in large new facilities could not be justified while the prices of many minerals remained depressed because of the recession and the build-up of heavy excess stocks.

Discussing future trends in the supply of phosphate rock, Mr. William H. Coates, chairman of the agricultural sector of Albright and Wilson, said that if the demand for phosphate fertilisers became more closely related to real need, the present surplus of phosphate could quickly be reversed—in the 1980s there could again be a position of shortage.

The consumption of phosphates was dramatically reduced in the wake of rapidly escalating price increases for phosphate rock in 1974-75.

Company sues bank over Receiver

BY OUR SHIPPING CORRESPONDENT

SOLICITORS acting for Phoenix Shipbuilders of Beverley, Humberside, disclosed yesterday that suits had been issued against the Yorkshire Bank, and a Receiver put into the company by the bank at the end of May.

The writs allege "wrongful appointment" of Mr. William Mackey, of the London accountants Winney Murray. They are the latest move in a wrangle between Phoenix directors on the one hand, and the bank and the Receiver on the other.

When Mr. Mackey was appointed Receiver the directors decided that the company was insolvent, and accused the bank of acting too hastily. They issued a statement mentioning "disbursements abroad which could not be less than £500,000 and could well amount to £1m."

That statement led to dismissal of the managing director by the Receiver, who had already issued redundancy notices to 64 workers.

According to the company's solicitors the Receiver has given an undertaking not to dispose of any of the company's assets pending High Court moves on behalf of the Receiver.

Earlier this year, there had been a slight rise in unemployment in the Midlands but a "substantial" rise nationally.

That was partly explained by the Government's aid to the motor and machine tool industries represented in Coventry by British Leyland, Chrysler and Alfred Herbert.

Officially this is estimated to have saved 95,000 jobs directly and at supplier companies.

£18 to stay at school plan backed

By Michael Dixon, Education Correspondent

SUPPORT is given by the Child Poverty Action Group to-day for Mrs. Shirley Williams' plan to get grants for staying at school raised to match the proposed £18 a week allowances for youngsters taking part in the Manpower Services Commission's scheme to counter teenage unemployment.

The Secretary for Education and Science is due to put forward her plan when the Cabinet discusses the Manpower Services Commission scheme on Thursday.

Calling for the stay-at-school grants to be increased to £18 a week plus a possible £5 a year for clothing, the Child Poverty Action Group states in a report to-day that the present level of educational maintenance grants makes it more profitable for a 16-year-old to loiter in the streets than remain at school.

In some authorities the maximum grant is only £2.40 a week, the report adds.

Council starts bus service

THE LONDON Borough of Hillingdon is to start the first borough council bus service in Greater London this autumn.

Buses will run in the council's own red and yellow livery, although they will be manned and maintained by London Transport.

Coventry economic survey shows deep pessimism

BY PETER CARTWRIGHT, MIDLANDS STAFF

THE LARGE degree of pessimism over Coventry's mid-term future despite some encouraging signs, was highlighted yesterday by a city council appraisal of the local economy.

Although the economic turnaround is encouraging, the likelihood of another winter with around 3,000 youngsters unemployed is increasing, it says. "The solution lies in renewed economic growth, does not lie in temporary schemes."

Earlier this year, there had been a slight rise in unemployment in the Midlands but a "substantial" rise nationally.

That was partly explained by the Government's aid to the motor and machine tool industries represented in Coventry by British Leyland, Chrysler and Alfred Herbert.

Officially this is estimated to have saved 95,000 jobs directly and at supplier companies.

PANAM'S PEOPLE KEEP FLYING

A disagreement between the Governments of Great Britain and the U.S.A. could result in a ban, from midnight tonight, on all direct flights by British and American scheduled airlines, between Britain and the U.S.A. Despite this, Pan Am are determined to protect the interests of passengers and cargo shippers and we will get you from London to your destination with the minimum of fuss and at no extra cost. Without changing your ticket, you will be able to take advantage of pre-arranged connection services via Brussels and Amsterdam which will enable you to fly from London to New York, Boston, Detroit, Washington, Seattle, Portland, San Francisco and Honolulu on big comfortable 747 Clippers. No government formalities or clearances will be required when making the connection and your baggage will be automatically transferred to your onward Pan Am flight. For passengers on our Round the World flight, connections are available at Frankfurt. Naturally, we hope the disagreement will be resolved as soon as possible. Meanwhile, the schedule below will give you details of the arrangements we've made in order to offer you the best possible service under these unfortunate circumstances. Using the following guide, all passengers travelling via Amsterdam should check in at Pan Am's terminal at Semley Place, Victoria or at Pan Am counters, Terminal 3, Heathrow Airport. For passengers travelling via Brussels check in at Gatwick or Victoria B.R. Railway Station for train departures.

Table with flight details: Destination, Flight No., New check-in time (Semley Pl., Heathrow), Routing via, Arrival time at destination.

HOME NEWS

Scots buy £1.5m. stake in textiles

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE SCOTTISH Development Agency is to take a £1.5m. majority share holding in Henry Ballantyne and Sons, the largest of the Border textile companies...



"It's like a dream come true," said 77-year-old Miss Olive Parkinson after meeting the Queen yesterday in Lancaster at the start of the two-day royal tour of the North West...

Print industry wants safety law check

BY OUR INDUSTRIAL STAFF

COMPLAINTS ABOUT the way the new factory safety laws are being applied have been made by the British Printing Industries Federation to the Chief Inspector of Factories...

Uncertain future faces oil rig yard as orders run out

BY RAY PERMAN, SCOTTISH CORRESPONDENT

THE CORMORANT A concrete oil platform—the largest built in Britain—will vacate the berth where it was constructed at Ardyne Point on the Firth of Clyde at noon today...

Ex-property chief's debts put at £7m.

FORMER PROPERTY group chief Mr. Thomas William Hudson disclosed total debts of more than £7m. at the London Bankruptcy Court yesterday.

When asked why he gave personal guarantees of more than £5m, he replied: "As principal shareholder, I had to."

Tories seek to boost spending by GLC on public transport

BY IAN HARGREAVES, TRANSPORT CORRESPONDENT

THE Greater London Council is to seek an increase in the amount it is allowed to spend on public transport and roads during the next financial year.

Furniture sales in U.K. improve slightly

BY JAMES McDONALD

FURNITURE SALES in the British market last year were only 0.8 per cent. up, at constant prices, on 1975, compared with a 12.7 per cent. rise the year before...

Port of London losses reduced by £6.6m. last year

BY ROY ROGERS, SHIPPING CORRESPONDENT

COST CUTTING and improved traffic levels helped the Port of London Authority to reduce its losses from £5.38m. in 1975 to £1.3m. last year.

Trust launched to save City silk colony

A CHARITABLE trust to help preserve Spitalfields, the historic Huguenot silk weavers' colony on the eastern edge of the City of London, was launched yesterday.

LABOUR NEWS

TUC takes a hard line on industrial democracy

BY CHRISTIAN TYLER, LABOUR CORRESPONDENT

GOVERNMENT warnings to the TUC that it could not get through Parliament an industrial democracy Bill which confined participation at company Board level to trade unions provoked a strongly-worded reply yesterday.

Legal and General staff plea to Board

By David Churchill, Labour Staff

WHITE-COLLAR workers in the Legal and General Assurance Society have appealed to the society's directors to intervene in a long-standing union claim for recognition.



Paint, trim and assembly line workers on picket duty outside the Dagenham car plant make their point about Ford's lay-off procedures over a strike in the body plant.

No aid for economy at the Post Office

BY OUR LABOUR STAFF

POST OFFICE engineers decided yesterday to warn the Post Office Board that they will refuse to co-operate in any further economy measures in Britain's telecommunications network.

Journalists open talks with Westminster Press

BY OUR LABOUR STAFF

TALKS BETWEEN the National Union of Journalists and Westminster Press management were held yesterday to explore the possibility of a return to work by London office staff on strike since last week.

Plessey sit-in continues while new offer examined

BY OUR LABOUR STAFF

WORKERS AT the Plessey factory in Kirby, Liverpool, who have occupied the plant for the last month in protest at closure plans, decided yesterday to continue their sit-in pending the outcome of new proposals from management to end the dispute.

Blyth tipped for Dock Board chief

By Pauline Clark, Labour Staff

MR CHARLES Blyth, general secretary of the National Transport Workers Federation, and the man who played the leading role in the Globkiv mystery affair of last March, is expected to become the chairman of the National Labour Board.

AUTHORS WANTED BY N.Y. PUBLISHER

URQUIJO INTERNATIONAL N.V. U.S. \$25,000,000 Guaranteed Floating Rate Notes Due 1981 For the six months 21st June, 1977 to 21st December, 1977

Channel Isles may import direct

BY OUR CHANNEL ISLANDS CORRESPONDENT

THE CHANNEL ISLANDS are likely to try to obtain more of their goods of non-EEC origin direct from the countries concerned, rather than via the U.K., after new EEC customs regulations come into force on July 1.

Handwritten note in Arabic script: "معلومات من الملف"

TOBACCO SUBSTITUTES: Are they worth a light?

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ORGANISATION OF AMERICAN STATES MEETING

A group in search of a role in Latin America

By ALAN RIDING in Grenada

THE ORGANISATION of American States, Panama's strongman, Brigadier General Omar Torrijos, said recently, has as much significance as the word statera. After this month's annual gathering of OAS Foreign Ministers, it was difficult to dispute his judgment. Founded in 1948, the organisation has never got over its initial function which was to be an instrument for control of Latin America by the U.S. It may no longer, as Fidel Castro once put it, be Washington's colonial ministry; but it has found no alternative role.

Following tradition, calls were again made at this year's OAS conference here to reform and strengthen the organisation. But, again following tradition, the proposals were shunted off for "further study" by the permanent council, and will remain in cold storage until next year. This time, the U.S., finding the organisation irrelevant even to its own purposes, took the initiative in seeking change. "The OAS is not working well," one U.S. official said. "It spends too much time on small in-house issues, it meets too often without discussing important questions. It has a bloated bureaucracy, the delegates carry little influence at home, and the regions' Foreign Ministers ignore what it is doing."

Yet, in a peculiar way, the OAS is not only essentially the kind of organisation that its members want, but it also reflects the state of the region. In his opening address, the U.S. Secretary of State, Mr. Cyrus Vance, called for "A modernised organisation, free of unnecessary bureaucracy, without any hint of U.S. dominance." But the U.S. still pays 66 per cent of the budget of the Washington-based organisation—it has proposed lowering its share to 50 per cent. It also accepts its share of the U.S. budget. Mr. Vance not come to Grenada, few other Foreign Ministers would have bothered to make the long and complicated trip to this tiny Caribbean island.

The U.S. also defined what the delegates would discuss—not, as many would wish, problems of trade and economic cooperation, but rather human rights, a

topic that made many governments decidedly uncomfortable. The objective was not to induce any particular OAS action on the issue, but rather to take of the OAS, the larger Latin nations find it increasingly distasteful to bring their most serious problems to the organisation. Brazil's dispute with Washington about its deal to buy West German nuclear technology was not mentioned; nor was Mexico's problem of illegal migration to the U.S.; nor even Venezuela's delicate role in helping fix world oil prices. These and other matters are all violations to the regional body and thus block charges that the

human rights will therefore confrontation nor mean dialogue on the single most important issue of U.S. American relations. The sort of mini-pr now exercising the O well illustrated by the is micro-states. Dominica Lucia and other tiny Car islands may soon become pendent and seek OAS nu ship and the Latin Am bloc fears that these states could change OAS patterns in favour of the bean group. At present Commonwealth OAS me are Jamaica, Barbados, T and Tobago, and Grenad first three already form a siccant bloc, because of diplomatic skills.

Since these countries developing warm relation Cuba, Latin America's wing regimes are worried that Havana ma deny be able to count on or eight sympathisers OAS.

"The OAS is not working well. It spends too much time on small issues, it meets too often without discussing important questions... the delegates carry little influence at home and the regions' Foreign Ministers ignore what it is doing."

U.S. is interfering in the internal affairs of other nations. If national economic co-operation, even suggested that member states should agree to receive the commission's investigators and increase its budget. But the angry reaction of countries such as Argentina, Chile, Uruguay, and Brazil effectively prevented any expansion of the commission's authority. "The main issue in human rights today is the human rights being promoted by our countries by the Soviet Union," Chile's Foreign Minister, Patricio Carrvalal said. "The region's right-wing governments therefore insisted on limiting human rights and terrorism to the point, in fact, where they have proposed that the inter-American Commission should investigate the activities of the Communist groups. Some countries, notably Venezuela, Colombia, Mexico, and the English-speaking Caribbean members, backed the American position, but the OAS was fairly split down the middle."

But on the question of international economic co-operation, where a broad Latin American consensus exists, the OAS appears incapable of action. Numerous other regional organisations deal with the subject—notably, the Inter-American Development Bank, the Economic Commission for Latin America and the Caribbean, and the Latin American bloc at UN headquarters—but probably in no other body could the continent focus its demands clearly on the U.S. The rising aspirations of the south have created increasing intolerance of the continuing indifference of the north towards equitable adjustments in the international system, a re- port from the OAS Economic and Social Commission stated last week. "This has produced a great deal of confrontation in international conferences and the industrial countries are beginning to recognise the necessity of meaningful dialogue and concrete adjustments." But at the time there was neither con-

frontation nor mean dialogue on the single most important issue of U.S. American relations. The sort of mini-pr now exercising the O well illustrated by the is micro-states. Dominica Lucia and other tiny Car islands may soon become pendent and seek OAS nu ship and the Latin Am bloc fears that these states could change OAS patterns in favour of the bean group. At present Commonwealth OAS me are Jamaica, Barbados, T and Tobago, and Grenad first three already form a siccant bloc, because of diplomatic skills.

The plan being for therefore to create some of associate membership ing micro-states the r; speak before the OAS b to vote. What would i to Grenada, host of this conference, is not although it evidently fit the micro-state catego 100,000 inhabitants, 120 miles and minimal almost as complicated: b the OAS turn down a for- membership from a state that has already accepted by the United N. "If, as seems likely, the to en-bloc the micro-state the OAS may therefor itself being transformed through the infusion o blood." Certainly, as stand now, the members; willing to give up anyr exchange for a strong s body. "Criticism of the; sation is evidence of the h awakens," OAS Sec General Alejandro Orta unconvinced delegates last "It is also evidence; need for its existence; without its existence, w fill the vacuum not with clam but with anxiety to it."

GEOBANKING

The Manufacturers Hanover Way of Worldwide Banking

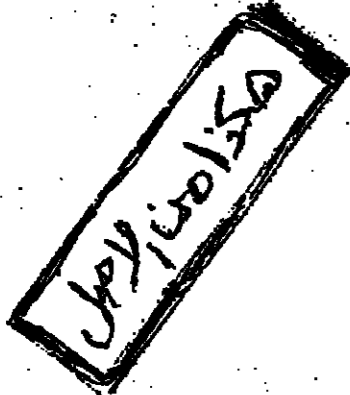


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Geobanking.
In some countries, it dictates the opening of full-service banking offices, such as the Manufacturers Hanover branch in Frankfurt.
In others, it calls for the setting up of a specialized subsidiary, such as Manufacturers Hanover Asia, Ltd., the Hong Kong merchant bank.
And elsewhere, it may mean reliance on representative offices working with indigenous banking systems to form one of the most extensive correspondent networks of any U.S. bank.

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EDITED BY ARTHUR BENNETT AND TED SCHIDTERS

MATERIALS

Foam-filled blocks

A RESIN formulation and a filling system have been developed by British Industrial Plastics (a Turner and Newall company) to produce a method by which almost any type and formulation of cement bonded aggregate construction hollow blocks can be filled with urea formaldehyde foam.

The company says that only a low density foam is required, and that an additional advantage of the technique is that the problems of excessive shrinkage and subsequent loss of the infill have been overcome.

Blocks made with holes or slots to improve the thermal insulation value can have the holes filled with foam providing a significant improvement in the insulation properties.

With the use of certain types of lightweight concrete, the thermal insulation of a correctly foam-filled block is such that a through-wall "U" value of 0.75 W/sq.metre/deg.C can be provided for an otherwise conventional cavity wall construction.

Current sound insulation standards are also met by walls constructed with these foam-filled blocks, says BIP.

The company has an agreement with Block Plant Engineering, of Ripley, Derbyshire, which will manufacture and sell the special machines for filling hollow concrete blocks.

The system is the subject of patent applications, and equipment will be available only to companies licensed by BIP. The company will also supply the Beetle resins for the process.

BIP already operates an "approved installer" system for its cavity wall insulation process, so that it can control the standards of quality and workmanship, and the licensing system for block filling is described as an extension of this approach.

More from BIP at PO Box 11, Tar Bank Road, Oldbury, Warley, West Midlands B69 4NF (021-552-1551), where a demonstration unit can be seen.

INSTRUMENTS

Finds level of sludge

THE interface between water and sludge in waste water treatment systems and in industrial settling tanks can be located easily with an ultrasonic meter introduced by Kröhne Measurement and Control.

Principle used is the difference in ultrasonic absorption of clear water and sludge. The complete system consists of a fixed cabinet from which a probe is suspended into the liquid by means of a pipe-sheathed cable wound on to a servo-motor driven drum. Signals and supply voltages pass between the control unit and the probe through a spiral-wound flat cable, obviating the use of collector rings.

An ultrasonic send/receive unit in the probe transmits pulses which are returned by a reflector a few inches away fixed to the probe. When clear water fills the intervening space the returned pulse strength is minimally reduced. But if the probe is located at the interface of sludge and water the pulses are weakened by the presence of suspended solids.

The probe can be lowered and stopped automatically at the depth at which a pre-selected solids content is reached, between 0.3 and 10 per cent. Indication of the probe position is available locally and as an analogue electrical output for transmission to a remote indicator. Measuring depth range is from three to 33 feet (10 m) and the probe is raised or lowered at 2 ft/min. (0.66m/min.).

By employing limit switches it is possible to control the input of the tank raw materials and

the extraction of clear water and sludge in order to maximise the throughput per settling tank.

Settling tanks can be located easily with an ultrasonic meter introduced by Kröhne Measurement and Control.

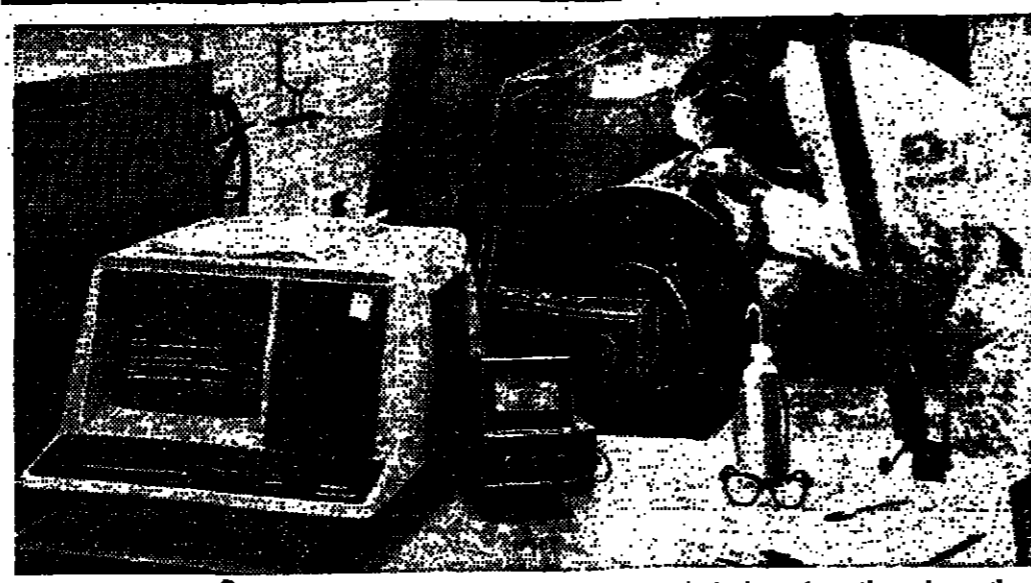
Faster response

ALL of the 65 types of pH electrode offered by Russel pH can now be obtained in a new type of glass claimed by the company to be vastly superior.

A very fast response is now obtained over the whole 0 to 14 pH span and the company says that an independent evaluation carried out at Newcastle University shows that mean alkaline errors in 1.1 pH solution and mean acid errors in 0.07 pH solution are no more than 0.03 pH.

The glass itself is very tough, permitting the construction of really robust electrodes that can withstand the roughest use. It can also be steam sterilised and used at temperatures from zero to 130 deg. C. A data sheet describing the new glass can be obtained from the company at 44 High Street, Auchtermuchty, Fife, KY14 7AP (Auchtermuchty 480).

By agreement between the Financial Times and the BBC, information from The Technical Page is available for use by the Corporation's External Services as source material for its overseas broadcasts.



Part of a time-sharing system at the 57m. facility of Rank Xerox at Welwyn, a terminal, located on a production line for copier drums, shows how closely the computer equipment has been integrated into the production process. Rank Xerox decided from the outset that Welwyn—now making the 9200 which was launched last year—would be computerised for optimum production. The first step was to approach eight manufacturers, but only three were prepared to take on the job as a single-source, turnkey operation. Digital Equipment Corporation won the bidding and took 11 months to set up a system based on a PDP-11/40 computer and 22 terminal units

located at strategic points throughout the production area. DEC's CSS Group designed the time-sharing system which permits constant control of production details by staff members of whom has had previous computing experience. The plant is making one component on a continuous basis and this goes through a difficult and elaborate manufacturing process in which quality control is vital. The computer system has been designed to take care of this requirement for constant supervision as the part moves through the plant and for immediate detection should there be any "process drift" which could result in sub-standard parts. More on 0734-583555.

POLLUTION

Tidy domestic waste disposal

THE FIRST of a new form of machine called a Nodder. Diesel or electric motor driven. It is hydraulically powered, and traverses from skip to skip. The machine has a boom carrying a steel platen which fits the skip like a slightly undersized lid. A force of 20 tons is applied to compact the rubbish.

Competition ratio can be as high as 6 to 1 for readily crushable items, such as cardboard boxes, but is generally about 3 or 4 to 1 for mixed domestic refuse. The steel platform support-structure of the Nodder, so that stresses are self-contained within the structure.

This installation, which includes the Nodder and seven skips, cost East Sussex County Council about £20,000, excluding

the construction of the concrete base, etc.

The Serocompactor design can be in the form of a full circle when it will take 11 skips. Skip size can be from 8 to 40 cu. yd., and the machine could be supplied to traverse a small area and deal with only two skips.

As a stationary device, the Nodder has been installed at a number of industrial sites to improve skip utilisation. There is one at St. Pancras BR station which it is estimated has saved its capital cost in about 12 months by reducing transport costs for the skips.

Details from G. S. Compactors, 87 High Road, Ickenham, Uxbridge, Middx. (Ruislip) 35844.

COMMUNICATIONS

Chips channel director calls

THE POST OFFICE has embarked on a 57m. modernisation programme for the 250 exchanges in its six "director" areas using advanced electronics supplied by Pye-TMC.

Director areas are those such as London and Birmingham where the wanted subscriber is obtained, from a phone within the area, by dialling a three-figure code followed by a four-figure number. Most connections are made via a central tandem exchange, or perhaps via another local exchange, but in either case has an error rate of one event special routing digits in 10m.

A particular achievement for Pye-TMC is the design of p-channel MOS working at 27 volts—an unusually high voltage that reduces interference from the electrically noisy Strömgren equipment environment to a minimum.

Following four years of experimental work at the Surbiton exchange installation will now follow in all six city-director areas with completion by 1980.

Pye-TMC claims that its electronic director is the most intensive application of purpose-designed MOS-LSI in any PTT equipment with some 1,200 chips of 23 types in each equipment rack.

moment by electromechanical Strömgren director units.

But to alter these digits—and because of new exchange additions this is often necessary once a week in a typical director exchange—costly manual changes have to be made—superceded in the new equipment by a keypad and a CRT display. Furthermore, the existing directors occupy 14 times the space of the new, need frequent maintenance, and generate a mechanically noisy work environment. The electronic director is silent, maintenance-free and has an error rate of one event special routing digits in 10m.

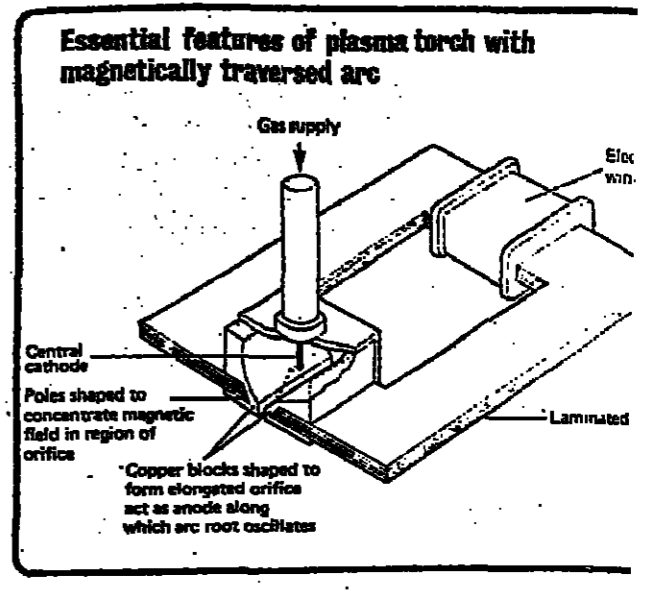
PROCESSING

Flat-flame torch is unique design

DEVELOPMENT of a new plasma torch of British design has been agreed at the conclusion of negotiations between the National Research Development Corporation and Plascut, a company known for its work on the commercial applications of plasma and laser techniques to metal cutting and heat treatment.

Invented by Dr. J. E. Harry and Dr. T. J. Fox of the University of Loughborough, the plasma arc torch with magnetic traversed arc is, as its name indicates, a design in which the position of the electric arc is moved about by a magnetic field and the plasma flame is produced with an elongated cross-section.

This shaping of the flame makes the device particularly useful in surface-hardening work on metals and the fusion of porous coating materials.



In its simplest form the unit has a plasma torch in which an arc is struck between a centrally placed tungsten cathode and the surrounding nozzle which acts as the anode. The nozzle feeds to a rectangular orifice formed from two shaped, water-cooled copper blocks through which ionised nitrogen or another suitable gas is passed.

An alternating magnetic field power source produces the arc which heats the gas driven through the torch. This emerges from the orifice in a fan and at high velocity, as well as at extremely high temperature.

An electromagnet with poles on each side of the arc produces the fan shape of the jet since it is formed from a single winding on a laminated core which concentrates the magnetic field across the width of the orifice. More from Plascut at 72, Rotherham, S60 2EG, 0709 73531.

AUTOMATION

Reader for libraries

SIMPLE and robust enough for use by the general public in the reading rooms of libraries is the Startech microfilm reader put on the market by Kodak.

able to accept 16mm or 35mm roll microfilm, the unit has clearly marked controls and operating instructions and there is a film threading diagram on the front panel. This plus a permanent take-up spool provides simple operation for those who may be unfamiliar with microfilm equipment.

Less acid emission

SULPHURIC ACID plant designs have been developed by Monsanto Enviro-Chem which will help steel producers control sulphur dioxide emissions from coking operations.

The design incorporates economies which the company says may reduce plant costs by as much as 15 per cent. This would make them the most economical and efficient sulphuric acid plants available to-day for the steel industry. The plants are designed to convert hydrogen sulphide to 98 per cent sulphuric acid. Development is to be at turning the device into a shop tool as well as for sales and a preliminary drive will take place at International Welding in Essen, West Germany, September 21/22.

More from Plascut at 72, Rotherham, S60 2EG, 0709 73531.

Marks plastics crates

HOT FOIL marking of large hollow plastics mouldings, such as crates, boxes, bins and similar items, can be carried out with a machine developed by PB and E Engineering, 717 Banbury Avenue, Slough, Bucks, SL1 4LH (Slough 36538).

An extended version of the company's Universal machine, it can be converted to normal operation in conjunction with one of the standard feed devices, such as power slide table, rotary index table or periphery attachment.

With a print area of inches, the machine has stroke with fine adjustment recesses. 54 height clearance is 54 with full adjustment of first 24 inches. The unit has a 3-inch throat, which is used to mark the centre of a deep component. The cast has T-slots for job marking with castors, the machine can be easily placed a to the moulding machine

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PARLIAMENT and POLITICS

RESTRAINING ARMS ENFORCE PEACEFUL PERSUASION

BY PHILIP RAWSTONE

MR. ERIC HEFFER, a former industry minister, manned the political picket line in the Commons yesterday—and took angry exception to being crossed by the Tories.

The Left-wing MP for Walton was standing up for the Grunwick Laboratories' workers who, ten months after the dispute began, have suddenly become a political issue.

Tempers flared as Mr. Heffer, practising peaceful persuasion, belittled that the workers had "poor wages, rotten conditions, and a rotten boss, who by any standards is still living in the last century."

There should be 20,000 trade unionists picketing the factory in solidarity, Mr. Heffer declared. "Rubbish," the Tories shouted. "Disgraceful."

Mr. Norman Tebbit, Tory MP for Chingford, muttered that Mr. Heffer and his 20,000 should pat on their brown shirts. "Don't call me a Fascist swine," Mr. Heffer snapped, glowering across the Chamber.

Mr. Tebbit indolently called him something else, and Mr. Heffer, visibly swelling with anger, rose from his seat. Brush-

ing aside the restraining arms of other MPs, he headed intimidatingly towards the Tory benches.

But colleagues caught him and pulled him to a seat on the front bench. After some more violent verbal exchanges across the Floor, Mr. Heffer eventually relaxed.

"He invited me to come outside, presumably to use peaceful persuasion on me," Mr. Tebbit said afterwards. "You can't win," Mr. Heffer reflected. "You're either a Communist or a Fascist."

It was one of those clearly divisive days — with Mr.

Meryllyn Rees, the Home Secretary, struggling to hold the middle ground and uphold the duties of the police and the rights of the pickets.

Mr. William Whitelaw, Tory deputy leader, called vigorously and somewhat vaguely for law and order. Mr. James Prior spoke sternly of "totally intolerable intimidation." Other Tories attacked the Cabinet Ministers, who had joined the pickets.

From the Labour side, Mr. Norman Atkinson charged the police with "collusion" with management, and lawyer Mr. Alex Lyon, defended the free-

dom of the company's employees, describing Mr. George Ward, the managing director, as the real threat to peace.

Symbolising his pact with the Government, Mr. David Steel, the Liberal leader, joined Mr. Rees. He condemned the "rent-a-mob" which had latched on to the dispute and the firm's managing director for refusing to negotiate.

"Cool it," Mr. Rees appealed finally to all the dispassionate parties. And the Speaker, apparently in agreement, rejected two requests for emergency debates.

Single figure inflation 'a real prospect'—Hattersley

BY IVOR OWEN, PARLIAMENTARY STAFF

A SINGLE FIGURE inflation rate is now a "real prospect" for the second quarter of next year, Mr. Roy Hattersley, Prices Secretary, told the Commons yesterday.

But while expressing sympathy with the objectives of the National Consumer Council in calling for a 9 per cent price rise ceiling for the coming year, he warned that such a general and arbitrary measure could do substantial damage to the economy.

Mr. Hattersley urged MPs to support the Government's proposals for selective price freezes under the terms of the Price Commission Bill which the Government hopes will complete its stages in the Commons by tomorrow night.

Tory MPs continued to voice scepticism about the Government's claims. Mr. Robert Maclean, Under Secretary, pointed out that the rate of wholesale price inflation was running at 20 per cent.

He asked for one single reason why the British public should believe this desperate and discredited Government when it holds out the mirage that inflation is going to fall at some distant time in single figures.

Mr. Robert Maclean, Under Secretary for Prices, stated that the wholesale output price index had increased by 20 per cent year-on-year since May, 1976, showing no change since April. The wholesale input price index had increased by 19 per cent year-on-year—a fall from the April figure of 23 per cent.

Mr. Maclean maintained that the fall in the input index reflected the stability of sterling which had been brought about by Government measures and by some stabilisation in world commodity prices. "These are reasons for believing that the Government is now on target," he declared.

Mr. Hattersley spoke of a single figure rate of inflation being achieved in the second quarter of 1978 after stating that the year-on-year increase in the retail price index was 17.5 per cent in April and 17.1 per cent in May.

"This improvement results from the 0.5 per cent increase registered the previous month and the smallest monthly addition to the RPI for almost a year," he explained.

Mr. Hattersley added that over the six months to May, the RPI, excluding seasonal foods, had increased by 9.5 per cent.

He again stressed that an annualised figure based on the increase in the RPI, excluding seasonal foods, over the last three months—19.9 per cent—was not a statistically valid indicator of trends.

The Minister stood by earlier forecasts that the year-rate of inflation would be a continual reduction in the summer and the autumn, leading to an appreciable figure by the end of the year.

In a general industry Government policies, Mrs. Oppenheim, shadow Minister, protested the internal purchasing power had fallen to 55p. Labour returned to pay 1974.

"How long will it be that falls to 50p," she asked, "and that this would be a clearly sound date for the country for the fair opinion that the Prime Minister had recently talked about."

Mr. Maclean told Mr. Hughes (Lab., Aberdeen) that the Government plans to control forward kettling in commodity markets remain quite satisfied that existing surveillance is adequate, he said.

Rees denies police helped workers cross Grunwick picket line

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

AN APPEAL to the pickets at Grunwick Laboratories to "cool it" and reduce their numbers was made in the Commons yesterday by Mr. Meryllyn Rees, Home Secretary, when the ten-month-old dispute was discussed amid heated exchanges across the floor of the Commons.

There were furious protests from the Conservatives when Mr. Norman Atkinson (Lab., Tottenham), the Left-wing treasurer of the Labour Party, accused the police of collusion in helping workers to cross the picket line at the laboratory gates in Willesden, North London.

But this was denied by Mr. Rees, who went on to condemn those who had latched on to the dispute as an excuse for breaches in the law.

During lengthy arguments over the Grunwick affair, the House split on predictable lines. Left-wingers roundly condemned the refusal of Mr. George Ward, the company's managing director, to recognise the Association of Professional and Executive Staffs (APEX).

Conservative employment spokesman, Mr. James Prior, pointed out that the number of pickets on the scene were six times that of the workers trying to get into Grunwick. He saw this as clear evidence of intimidation, and said that picketing in those numbers was "totally intolerable and an offence against the law."

Statistics given to the House by Mr. Rees only increased the anger of the Opposition. He said that whereas five demonstrators had been hurt, so far 28 policemen had been injured during the dispute.

There were, he said, 1,500 pickets outside the laboratory on one day last week, and 1,200 were still there yesterday. This brought a shout from Mr. Eric Heffer (Lab., Walton) that if he

had his way, there would be 20,000 outside the gates.

The Conservatives were also angered at the fact that some members of the Cabinet, including Mrs. Shirley Williams, Education Secretary, had recently gone on to the picket line to show their solidarity with the demonstrators. In view of this, the Conservatives maintained that Mr. Albert Booth, Employment Secretary, could no longer be seen as an impartial arbitrator in the dispute.

The exchanges ended with Mr. John Gost (C., Hendon N.) and Mr. Alex Lyon (Lab., York) calling for an emergency debate on the subject, but the Speaker, Mr. George Thomas, rejected their applications.

In his statement, Mr. Rees confirmed that complaints about the conduct of police officers during incidents last week were already being investigated.

He added: "It is a matter for concern that certain of those present may latch on to incidents such as this as an excuse for breaches of the law and particularly for violence against the police."

"This kind of activity I know has no place in responsible trade unionism and I was glad to note the appeal by Mr. Grantham, general secretary of APEX, for a reduction in the number of pickets."

Mr. Atkinson told him that the law clearly allowed pickets peacefully to approach those who were trying to get into a factory to continue working during a dispute.

There were angry Tory shouts of "Withdrawing" as Mr. Atkinson said that if, by collusion between the police and the employers, those who wanted to work were aided to get into the factory by force, then the police were preventing the pickets interviewing this people and were thus guilty of breaking the law.



MR. JAMES PRIOR 'Intolerable numbers'



MR. MERLYN REES 'Matter for concern'

Mr. Rees told him sharply: "You are interpreting the law in an academic way. I have to deal with the situation on the ground. It would be better if there were a smaller number of people there."

"The word collusion is the wrong word. As far as I am concerned the law must be carried out."

Mr. Rees upset his own Left-wingers when he disclosed that 60 police were on standby and could be called to the laboratory if needed.

Mr. Heffer maintained that if a large number of police were ready to help strike-breakers go to work, then it was perfectly understandable that trade unionists from every union in the country should show their solidarity with the Grunwick pickets.

the Tories, he alleged that the Grunwick employees had been working for poor wages in rotten conditions, for a rotten boss "who, by any standards, is still living in the last century."

Mr. Laurie Pevitt (Lab., Brent S.) urged that the best way to solve the dispute was to get round the table to discuss it and the speaker the better.

Mr. Rees agreed that there was no doubt that the police and those pickets were genuinely involved did want to call a meeting. "It does need to be called or else there are going to be further arrests and further injuries," he added.

Mr. David Steel, Liberal leader, maintained that the dispute would only be solved by both sides sitting round a table. He welcomed the initiative of the Employment Secretary (Mr. Booth) even though it had not met with success.

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| 1. Exxon | 201. AMF | 301. ACF Industries | 401. Spagno |
| 2. General Motors | 202. Embart | 302. Ay Manufacturing | 402. Wm. Dwyer |
| 3. Ford | 203. Norton | 303. Anchor Hocking | 403. Ford Combs & Ingt |
| 4. Iasco | 204. Shafter Chemical | 304. Borden | 404. Quaker |
| 5. Kodak | 205. Hooker | 305. Melaco | 405. Quaker |
| 6. Standard Oil of California | 206. G. A. Hormel | 306. Smith Manufacturing | 406. Quaker |
| 7. Gulf Oil | 207. United Merchants & Mfrs. | 307. Smith Manufacturing | 407. Quaker |
| 8. International Business Mach. | 208. Abbott Laboratories | 308. Smith Manufacturing | 408. Quaker |
| 9. General Electric | 209. Owens-Corning Fibreglass | 309. Smith Manufacturing | 409. Quaker |
| 10. Chrysler | 210. American Petroleum | 310. Smith Manufacturing | 410. Quaker |
| 11. International Tel. & Tel. | 211. Ford Wheel | 311. Smith Manufacturing | 411. Quaker |
| 12. Standard Oil of Indiana | 212. Burt | 312. Smith Manufacturing | 412. Quaker |
| 13. Union Carbide | 213. Tins Inc. | 313. Smith Manufacturing | 413. Quaker |
| 14. International Paper | 214. Commercial Engines | 314. Smith Manufacturing | 414. Quaker |
| 15. General Motors | 215. Commercial Engines | 315. Smith Manufacturing | 415. Quaker |
| 16. Western Electric | 216. Commercial Engines | 316. Smith Manufacturing | 416. Quaker |
| 17. Procter & Gamble | 217. Commercial Engines | 317. Smith Manufacturing | 417. Quaker |
| 18. Johnson & Johnson | 218. Commercial Engines | 318. Smith Manufacturing | 418. Quaker |
| 19. DuPont | 219. Commercial Engines | 319. Smith Manufacturing | 419. Quaker |
| 20. Union Carbide | 220. Commercial Engines | 320. Smith Manufacturing | 420. Quaker |
| 21. International Electric | 221. Commercial Engines | 321. Smith Manufacturing | 421. Quaker |
| 22. General Motors | 222. Commercial Engines | 322. Smith Manufacturing | 422. Quaker |
| 23. International Paper | 223. Commercial Engines | 323. Smith Manufacturing | 423. Quaker |
| 24. General Electric | 224. Commercial Engines | 324. Smith Manufacturing | 424. Quaker |
| 25. Western Electric | 225. Commercial Engines | 325. Smith Manufacturing | 425. Quaker |
| 26. Procter & Gamble | 226. Commercial Engines | 326. Smith Manufacturing | 426. Quaker |
| 27. Johnson & Johnson | 227. Commercial Engines | 327. Smith Manufacturing | 427. Quaker |
| 28. DuPont | 228. Commercial Engines | 328. Smith Manufacturing | 428. Quaker |
| 29. Union Carbide | 229. Commercial Engines | 329. Smith Manufacturing | 429. Quaker |
| 30. International Electric | 230. Commercial Engines | 330. Smith Manufacturing | 430. Quaker |
| 31. General Motors | 231. Commercial Engines | 331. Smith Manufacturing | 431. Quaker |
| 32. International Paper | 232. Commercial Engines | 332. Smith Manufacturing | 432. Quaker |
| 33. General Electric | 233. Commercial Engines | 333. Smith Manufacturing | 433. Quaker |
| 34. Western Electric | 234. Commercial Engines | 334. Smith Manufacturing | 434. Quaker |
| 35. Procter & Gamble | 235. Commercial Engines | 335. Smith Manufacturing | 435. Quaker |
| 36. Johnson & Johnson | 236. Commercial Engines | 336. Smith Manufacturing | 436. Quaker |
| 37. DuPont | 237. Commercial Engines | 337. Smith Manufacturing | 437. Quaker |
| 38. Union Carbide | 238. Commercial Engines | 338. Smith Manufacturing | 438. Quaker |
| 39. International Electric | 239. Commercial Engines | 339. Smith Manufacturing | 439. Quaker |
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| 41. International Paper | 241. Commercial Engines | 341. Smith Manufacturing | 441. Quaker |
| 42. General Electric | 242. Commercial Engines | 342. Smith Manufacturing | 442. Quaker |
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| 62. Procter & Gamble | 262. Commercial Engines | 362. Smith Manufacturing | 462. Quaker |
| 63. Johnson & Johnson | 263. Commercial Engines | 363. Smith Manufacturing | 463. Quaker |
| 64. DuPont | 264. Commercial Engines | 364. Smith Manufacturing | 464. Quaker |
| 65. Union Carbide | 265. Commercial Engines | 365. Smith Manufacturing | 465. Quaker |
| 66. International Electric | 266. Commercial Engines | 366. Smith Manufacturing | 466. Quaker |
| 67. General Motors | 267. Commercial Engines | 367. Smith Manufacturing | 467. Quaker |
| 68. International Paper | 268. Commercial Engines | 368. Smith Manufacturing | 468. Quaker |
| 69. General Electric | 269. Commercial Engines | 369. Smith Manufacturing | 469. Quaker |
| 70. Western Electric | 270. Commercial Engines | 370. Smith Manufacturing | 470. Quaker |
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| 72. Johnson & Johnson | 272. Commercial Engines | 372. Smith Manufacturing | 472. Quaker |
| 73. DuPont | 273. Commercial Engines | 373. Smith Manufacturing | 473. Quaker |
| 74. Union Carbide | 274. Commercial Engines | 374. Smith Manufacturing | 474. Quaker |
| 75. International Electric | 275. Commercial Engines | 375. Smith Manufacturing | 475. Quaker |
| 76. General Motors | 276. Commercial Engines | 376. Smith Manufacturing | 476. Quaker |
| 77. International Paper | 277. Commercial Engines | 377. Smith Manufacturing | 477. Quaker |
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| 83. Union Carbide | 283. Commercial Engines | 383. Smith Manufacturing | 483. Quaker |
| 84. International Electric | 284. Commercial Engines | 384. Smith Manufacturing | 484. Quaker |
| 85. General Motors | 285. Commercial Engines | 385. Smith Manufacturing | 485. Quaker |
| 86. International Paper | 286. Commercial Engines | 386. Smith Manufacturing | 486. Quaker |
| 87. General Electric | 287. Commercial Engines | 387. Smith Manufacturing | 487. Quaker |
| 88. Western Electric | 288. Commercial Engines | 388. Smith Manufacturing | 488. Quaker |
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| 91. DuPont | 291. Commercial Engines | 391. Smith Manufacturing | 491. Quaker |
| 92. Union Carbide | 292. Commercial Engines | 392. Smith Manufacturing | 492. Quaker |
| 93. International Electric | 293. Commercial Engines | 393. Smith Manufacturing | 493. Quaker |
| 94. General Motors | 294. Commercial Engines | 394. Smith Manufacturing | 494. Quaker |
| 95. International Paper | 295. Commercial Engines | 395. Smith Manufacturing | 495. Quaker |
| 96. General Electric | 296. Commercial Engines | 396. Smith Manufacturing | 496. Quaker |
| 97. Western Electric | 297. Commercial Engines | 397. Smith Manufacturing | 497. Quaker |
| 98. Procter & Gamble | 298. Commercial Engines | 398. Smith Manufacturing | 498. Quaker |
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"But there is a distinction to be drawn between latching on to the picket line and the people who work in a place and in talking with members of Rent-a-mob," he added.

Mr. Norman Tebbit (C., Chingford) alleged that the Home Secretary had been seen in the company of Cabinet members had appeared on the picket line.

Mr. Rees repudiated this and said that none of his colleagues was a member of the law although some of them found themselves in a different position when it came to considering the situation inside the factory.

Mr. Alex Lyon maintained that there was nothing in the law to allow a police officer to prescribe how many people constituted a peaceful picket. "What about the freedom of the people who work in that factory for £25 a week for a full week's work?" he asked.

"The real threat to law and order is Mr. Ward's obstinate refusal to negotiate with a very reasonable man, a responsible union in order to get this matter settled."

Mr. Rees told him that the number of pickets was a matter for the law and the question of the law was one for interpretation by the courts. It was a complex matter, as he understood it: the police did have duties in this respect. This was clearly understood by genuine trade unionists and by the police.

Mr. Eldon Griffiths (C., Bury St. Edmunds), who represents the Police Federation, called on Mr. Rees to be more explicit in refusing the disgraceful suggestion that there had been collusion between the employers and the police. The police, he said, found themselves in the middle of this situation and were carrying out a most difficult task with exemplary impartiality.

From Mr. O'neagh McDonald (Lab., Thurrock) came a request that Mr. Rees should ask the Attorney General to draw the attention of the Director of Public Prosecutions to a newspaper report which stated that Grunwick had not filed a company account at Companies House since 1972. There was no means of finding out the firm's profits, wages bill or number of employees, she said.

Mr. Rees told her that the Secretary for Trade would certainly take into account what she had said.

Mr. John Gost told the Home Secretary that an official of APEX had been reported as saying that he hoped that 5,000 pickets would arrive at the company one morning and that this would give an opportunity for Mr. Rees to order the Commissioner of the Police to close down the laboratory. He called for an undertaking that Mr. Rees would do no such thing.

The Home Secretary replied that no such approach had been made to him. He also denied a report that there was a plan for Special Branch officers to mingle in the crowd outside the laboratory.

Mr. Hugh Fraser (C., Stafford and Stone) asked the Home Secretary to make clear that it was the duty of the police to see that people were sustained in the exercise of their right to work. He called on Mr. Rees to expound more clearly what the guidelines were on peaceful picketing.

Tax haven action call rejected

By Ivor Owen

A LABOUR backbencher's demand for Government action to end the tax haven role of Jersey, Guernsey and the Isle of Man was rejected in the Commons yesterday.

Mr. Robert Sheldon, Financial Secretary to the Treasury, told Mr. Gwilym Roberts (Lab., Caerphilly) that the Channel Islands and the Isle of Man were not part of the U.K. but dependencies of the Crown with their own legislative, legal, fiscal and administrative systems.

It would be contrary to the constitutional relationship with the islands for the U.K. to seek to legislate in the ordinary course on any matter which is domestic to the islands and in particular on taxation.

Mr. Roberts also asked what study had been made of evidence he had supplied alleging that the exercise of their right to U.K. taxation in Jersey alone.

Mr. Sheldon replied: "I have asked the Inland Revenue to look into this allegation but no details of such assets have been provided which would enable any specific tax avoidance or evasion to be identified."

Price Code change proposed

BY IVOR OWEN, PARLIAMENTARY STAFF

A GOVERNMENT amendment to the Price Commission Bill seeks to make October 1, 1977 the latest possible cut-off date for the use of the provision in the present Price Code which regulates price increases by reference to increases in costs.

Announcing the tabling of the amendment in the Commons yesterday, Mr. John Fraser, Minister of State for Prices, recalled that the Government had already indicated that it wanted the provision to come into effect by August 1, 1977 or as soon as administratively possible thereafter.

The amendment to the transitional provisions set out in Clause 21 of the Bill, would ensure that this was done by October 1, 1977 at the latest.

From the Opposition front

bench, Mr. Michael Neuh (Romford) described the "dangerously close door" as a "laughable comment." "We may have a new Government by the time Mr. Fraser stresses October 1 was the latest date. "One would expect normal circumstances, proposals ready long then," he said.

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The Management Page

EDITED BY CHRISTOPHER LORENZ

David Fishlock describes how General Electric of the U.S. goes about assessing future energy requirements and sources

Gap that is costly to fill

DO NOT know a straight- How to pick the right pro- all expected to be outpaced by
g scientist or engineer jets is a problem which has
re who can look you in exercised Dr. Schmitt over the
and promise you a new past couple of years. Energy
al miracle of any kind, research and development is a
on an invention not yet protracted business and can
or proved technically prove extremely expensive. It
t, that will close the gap looming ahead for
gap of this century.
—say, thermonuclear fusion—
only to discover a flaw in the
economics or social accepta-
bility of a bulk-supply energy
system.

Dismiss

He is inclined to dismiss ideas of any serious move on the part of society away from the General Electric because people will not pay the much higher price which would result. Citing the car as a good example of a mass-produced personal powerplant, he observes that earlier this year the company's American parent company in the capital had roughly the same amount of electrical and car power available, the cost of car energy power was 40 times greater. But 20 to 35 years can easily pass between the first gleam in the eye of the inventor or scientist, and the emergence of a commercial bulk-energy system which the company is ready to sell—such is the case with a fully-developed new energy system. Most long-range forecasts run into the year 2000. And this happens to be the time at which oil, natural gas, and uranium reserves are convincingly that no matter what changes are fed in, little change in the mixture of plant to supply bulk energy will be apparent before 2000, but thereafter different assumptions can result in conspicuously different results.

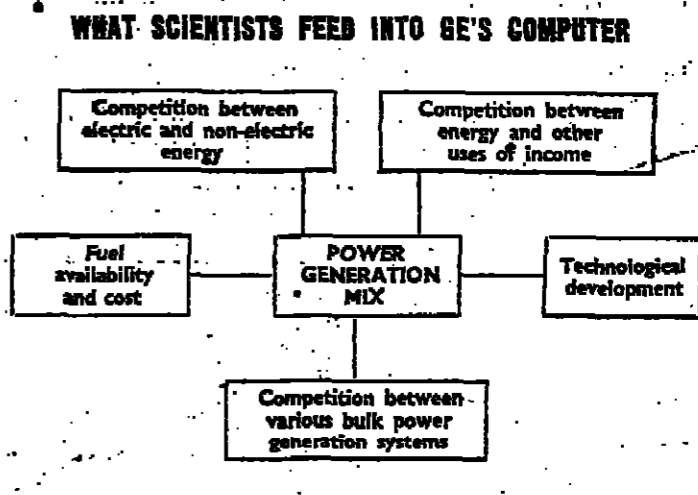
What it discloses so far is that the cost of all forms of energy is going to rise in real terms, so growth rates of both electric and non-electric energy will not be sustained at the rates experienced over the past 40 years. For instance, since 1930 a major reason for sustained growth in electricity demand has been the steady fall in the real cost of electricity. But the model also discloses that non-electric energy will rise in cost significantly faster than will electric energy.

Crisis

The model forecast the possibility of a crisis in U.S. energy supplies during the first 20 years of the next century, through the confluence of four factors—depleted oil and gas reserves, escalating uranium cost, constraints on coal production, and delays in perfecting the fast breeder reactor. If this happens, it would precipitate the rapid development of synthetic (substitute) fuels, the introduction of shale oil and solar heating and cooling for buildings, and concern for the fuelling of transport systems. But provided the fast breeder reactor can be introduced at competitive generating costs, electricity prices will stay relatively low, thus depressing the



LEFT: Dr. Roland Schmitt, who is responsible for the energy programme at General Electric of the U.S.



RIGHT: The econometric energy model which has been developed at GE's research centre to forecast what mixture of energy technologies the company can expect to be supplying in the next century.

growth of alternative energy combustion science, using lasers to investigate conditions which hitherto have been inaccessible to his scientists' instruments. The gleam-in-the-eye with all these coal projects is whether GE can discover some new way of "throwing coal into a combustion", as Schmitt puts it, to feed a gas turbine—one of GE's main product lines. It has been searching for a new clean fuel for the gas turbine since 1945. The big obstacle with coal is how to clean up the combustion products so that they will not damage the turbine or cause an atmospheric pollution problem. The answer is often an intricate exercise in chemical engineering. "You can find yourself spending \$20m. to protect a \$2m. gas turbine." Harsh economic facts such as this even raise the question whether GE should be designing "throw-away" turbines to fit on the end of their chemical systems. It also raises important questions for the design of in-chemical clean-up plants, since they need to be factory-made

items that fit into the GE manufacturing patterns. In order to hundred degrees C. hotter—sell to utilities in the first place, these items must be operated like the power plant itself, which means complete computer control. In order to get them to site they must be designed in convenient modules of a size acceptable to standard railway transporters. The coal combustion technology that looks most attractive to Schmitt's team at present is one which it has been operating at a \$3.5m. demonstration plant at the research centre. This produces low-BTU gas by burning a ton of coal an hour. This "ad- vanced Lurgi" process has the advantage that the gas can be cooled to facilitate clean-up and yet it still maintains a high efficiency—43-44 per cent. It is a major supplier of electricity generating plant 75 years into the future. But they are eager to hear what other people and organisations, such as those which are pinning their faith on non-electric energy alternatives, think of their econometric approach.

question of communication

CLLIST of 11 key ques- is to promote and initiate among CBI members the most effective ways of relating information. Greater disclosure is a requisite under the Employment Protection Act 1975 and was announced in Parliament last Thursday. Mr. Albert Booth, Secretary for Employment, announced in Parliament that an aspect of the Act—disclosure of information to recognised trade unions—would be required by law from August 22.

EMPLOYEE SECONDMENT

Business skills that benefit communities

THE STATED aims of a scheme operated by IBM to second staff to outside community projects are to boost the company's image, to extend opportunities for managers and to contribute to the progress and stability of society at large. The scheme was started five years ago and since then it has expanded steadily. The idea is that IBM executives should be seconded for between six months and two years to a community project where their business skills can be brought to bear. It is hoped that this will benefit the managers themselves by broadening their experience while at the same time helping voluntary bodies to improve their efficiency.

BY SUE CAMERON

panies to contribute by supplying transport, office services and materials. John Macphail, an IBM special programmes manager in the personnel and corporate affairs department, is currently on a two-year secondment to Community Industry, a government-sponsored body that helps disadvantaged young people to find jobs. The organisation, which has 42 offices around the country, aims to improve people's employability rather than to act as a job finding agency in the usual sense of the term. Mr. Macphail says, Community Industry combines redundant land, buildings and people. Young people, who are referred to the organisations by the Careers Service, may be given jobs reclaiming land, preserving and redecorating buildings or helping old age pensioners. It is hoped that the young people themselves will acquire some of the disciplines of working life—such as punctuality—rather than a specific skill. Other IBM employees are on secondment to such bodies as the Action Resource Centre, the Hampshire industry and education liaison section, Elephant Jobs—a job creation scheme for young people—and the Trident Project which organises work experience, recreation and com- munity service for young of their careers reckon that the people. People on secondment scheme prevents them becoming are paid their normal salaries while in their normal jobs as by IBM and it is estimated that well as enabling them to do the total cost to the company something worthwhile. Mr. Hargreaves himself sees the scheme as part of what he calls "the alternative idealism." He claims — extraordinary though it may seem—that he ment which approaches em- shares many of the ideals of ployees and asks if they would the International Socialists. He like to take part in the scheme. adds, in mitigation, that he does At present secondments are not not approve of their methods openly advertised within the because he believes in reform rather than revolution. And he Mr. Hargreaves says younger believes that the IBM second- executives in IBM see the offer- ment scheme, though a "mere of a secondment as part of their drop in the ocean," will help career development while older. "build a bridge between people who are nearing the end industry and society."

A FINANCIAL TIMES SURVEY

IRAN JULY 25 1977

The Financial Times is preparing to publish a survey on Iran in its edition of July 25 1977. It will examine political and economic developments in detail: separate articles will be devoted to finance, banking, industry, agriculture and energy. The survey will also include an analysis of Iran's defence policies and of the relationship between oil revenue and the country's economic and foreign aid policies. The main headings of the proposed editorial synopsis are set out below.

INTRODUCTION The Shah's warning that reduced oil revenue will affect economic development policies, foreign aid and Iran's aim to play a wider regional role; the first ever cut in defence expenditure; the political situation.

THE ECONOMY Economic growth has slowed but, at 13 per cent, is still very high. With the fifth five year plan in its final year, the next plan is expected to aim for slower growth; key sectors will be the development of steel and petrochemicals.

FINANCE The budget envisages a deficit for the second successive year, indicating a major switch to domestic and foreign borrowing. Iran is trying to rely less on oil revenues, conservatively estimated at \$19.5bn. this year.

BANKING The central bank is anxious for the banking system to play a greater part in economic development. Specialised banks such as IMDBI and ADB are playing an increasingly important part as borrowers abroad and in providing development finance.

DEFENCE Iran is building the most modern force in the region. Defence sports are running at over \$3bn. a year.

OIL AND GAS Iran is OPEC's second biggest producer but the issue of renegotiating an agreement with the consortium remains unresolved. The problem of sustaining productivity of wells and the cost of reinjection methods are factors in Iran's investment plans.

ENERGY Nuclear energy is seen as a major source of power in the 1990s. A German built nuclear plant is being completed but there are delays on a French nuclear deal and talks with the United States are stalled.

PETROCHEMICALS Petrochemicals are seen as a major source of export earnings and as the chief means of gaining added value from hydrocarbons.

INDUSTRY Industry is increasingly important in terms of GDP. The state plays a significant part in financing ventures and there is a need to encourage private investment.

AGRICULTURE Growth in agriculture, the most neglected sector of the economy, is believed to be well below the official figure of 7 per cent. There is an increasing dependence on imports of foodstuffs.

TRADE Imports into Iran, the largest market in the Middle East, slowed down in 1976, and the trend appears to be continuing. Barter deals are taking on increasing importance as a means of gaining contracts.

INFRASTRUCTURE The Government is placing particular stress on port expansion, including a new port at Bandar Abbas.

The proposed publication date is July 25; copy date is July 8, 1977. For further details of the synopsis and advertisement rates contact Peter Winnett, 01-248 8000, extension 360, Financial Times, Bracken House, 10, Cannon Street, London EC4P 4BY. Telex: 888033.

FINANCIAL TIMES EUROPE'S BUSINESS NEWSPAPER

Mr. John Hargreaves, IBM's director of corporate affairs, first thought of the scheme when Ugandan Asians were coming to Britain as refugees in 1972. A camp was set up for them at Newbury and Mr. Hargreaves was asked if IBM could spare a manager for three weeks to help run the place until the Government took over.

The company agreed and Mr. Hargreaves says the exercise showed him that there was a place for business skills in community welfare work. As a result it was decided to send two members of IBM's staff on full-time secondments.

Since then over 50 people have taken part in the secondment programme. The jobs they take on vary considerably and must, IBM insists, require business skills. Mr. Hargreaves stresses that the scheme is not meant to provide a supply of free social workers.

Pass on

At present 14 IBM executives are on secondment. One of them is Mr. Peter Bartleman, normally the technical assistant to IBM's plant manager in Greenock, near Glasgow, and now on a two-year secondment with the Rowntree Trust working on a variety of community self-help projects in Greenock. He says he tries to pass on his own managerial experience to individuals and to the community with the aim of helping people "to lift themselves."

For instance, if the local authority proves recalcitrant over council housing repairs, Mr. Bartleman will help local residents to organise themselves and so ensure that action is taken. He explains that tenants need to keep copies of letters they send to the council and of the letters they receive in return. If the council promises to do the repairs by a certain date but does not do so, then all the tenants concerned should write in and point this out. Mr. Bartleman says this type of community action is simple yet highly effective.

Mr. Bartleman has also set up a self-help job creation project employing 30 people in various community welfare activities. These include home visiting, running creches, gardening for the sick and elderly, painting, decorating and cultivating a ten-acre vegetable patch. Mr. Bartleman has managed to persuade a number of local



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TUESDAY, JUNE 21, 1977

Phase Three prelude

THE TALKS between the Chancellor and TUC leaders which start to-day will determine what sort of Phase Three agreement will be possible.

The problem

No-one could quarrel with Mr. Healey's objective of limiting effective pay increases to 10 per cent. from this August.

An official norm of 10 per cent. would, for instance, certainly lead to a much larger rise in earnings, once "drift," "slippage," "exceptional cases" and all the other euphemisms for non-enforcement are taken into account.

A more subtle temptation is to try to use the tax system to restore differentials—this is the real reason why Ministers object

Spain and foreign policy

ONE OF the less noticed achievements of Spanish Governments between the passing of General Franco and the general election last week was the gradual normalisation of Spain's external relations.

NATO and EEC

All that should be of some benefit to the new Government. It means that much of the dead wood of the Franco period has been cleared away.

Even before the election there were some doubts in Spain about the possible advantages that the Community might bring. This was particularly a true among industrialists who feared the effects of the dismantling of high Spanish tariff barriers.

British and American aviation negotiators late last night were struggling towards an agreement that would avert the threatened suspension of services between the two countries.

THE WORST fears of the aviation world came very close to being realised in the last week as Britain and the U.S. stepped right up to the brink over the renegotiation of their air services agreement.

It had been hoped that the final session of talks now under way in London would have involved simply completing details, but instead both sides chose to continue trench warfare as the old agreement came closer to expiring.

The fact that the two parties agreed yesterday to a more flexible interpretation of the deadline, grew from a mutual determination to reach agreement.

Events in London eight days ago set the tone for this breathless climax to ten months of very hard bargaining. It was on Monday of last week that Mr. Alan Boyd, the former transportation secretary who heads the American delegation, placed on the table a document which Whitehall said put the talks back by weeks, if not months.

Two days passed without formal talks, although the many informal contacts between the negotiators over lunches and dinners continued. Meanwhile, Mr. Callaghan, reflecting the acute anxiety of the Foreign Office, telephoned Mr. Jimmy Carter and reminded him that during the British Prime Minister's visit to Washington last March, they had discussed the possibility of top-level intervention if the talks started going badly.

When Britain unilaterally revoked the old agreement, it did so on two main grounds. First, that in spite of revisions it was an outdated basis for the multilateral trade of international decisions which are an inevitable part of aviation; second that Britain wanted an equal share of transatlantic passenger business for its own scheduled carriers.

Air talks avoid the brink

BY IAN HARGREAVES

The latter would mean were how many airlines should be designated to fly each route and what sort of Government mechanism should be used to control capacity on those routes.

There is now almost complete agreement on designation: in all cases except one (Seattle-London, although the British still hope to change this) there will be reciprocity between the two countries' airlines.

For months, the British had argued for single designation on all routes, which would have meant, most controversially, either Pan American or TWA withdrawing from the lucrative London-New York business to balance the single British carrier—BA.

This set the stage for what has become essentially an attempt by two governments to make clear-cut commercial gains, or at least defend the existing interests of their national airlines.

Two points of international significance are also at stake. First, the new Anglo-U.S. pact is certain to become the model for other bilateral deals throughout the world.

Agreement on the capacity issue has been harder to find, although each side has sacrificed an important principle. The British have dropped their insistence that their own airlines must have half the business.

But with proper banking reserve he talks of the "very complex operation" involved in raising \$50m. Praising his team at MCG, he doubts whether there are many other examples in the U.K. of people "willing to work, if necessary, 24 hours a day and enjoy it."

Carl H. Madden, one of nature's friendly giants, is one of this breed who is currently wandering gently, "an innocent abroad," through Europe and yesterday he stopped off at the American Embassy to muse aloud on the theme "U.S. business in a time of changing values," Madden, a southerner from Danville, Virginia, is Oxford in Latin American literature. He decided on the National Association of Business Economists' Professor of

Another less important, but New York. It is no longer issue. In the case of Con effect of the ups and the New York hearing more one of almost substance: there is (for which the British Government has responsibility in aviation matters).

The U.K. set out with the bargaining position that these rights must be eliminated, thus taking from the American carrier to end in September British team has been hard for some American services to Washington established on a basis.

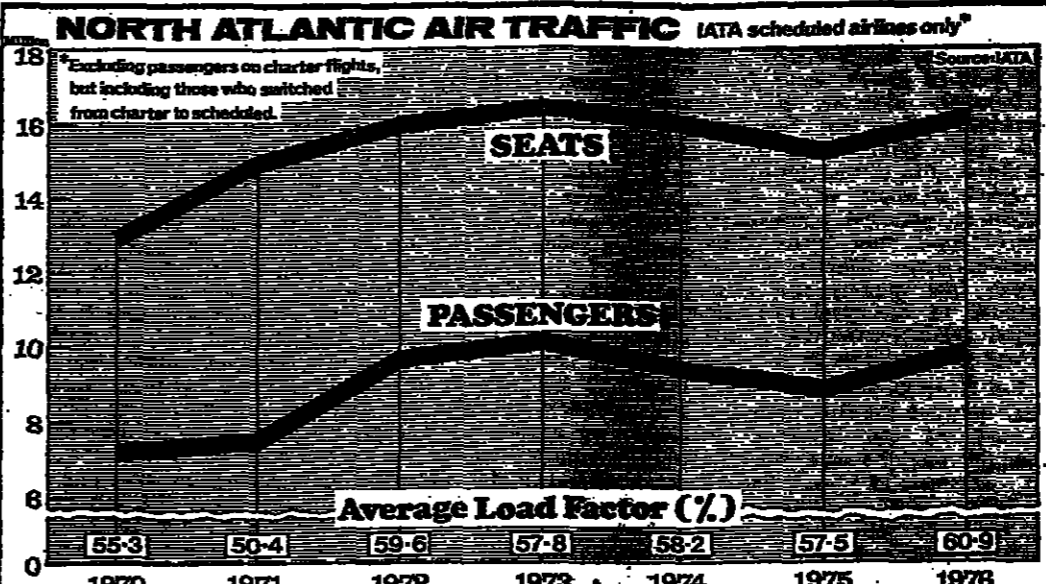
What has been agreed the Bermuda re however, can be best as neutral. To nothing in the past actively jeopardising prospects, but the feel the issue is too definite commitment stage.

Nor is it likely, definite will be said about charter, although the issue, "linkage" to set services in the American of last month which contributed to resultant stalemate.

The final shape a ment still is anyone knife-edge climax unavoidable in view that the American more or less screamed all the start in what was star a shot-gun affair.

The key plus Bermuda treaty was commitment to "tal opportunity." Penda days of State-owned economic stagnation ment of the first market-place has bid for landing rights at John F. Kennedy Airport, New York.

Skytrain has probably influenced the talks more than Concorde, although with dual when they do—sign the new air



At best neutral

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Important principle

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At large

In what is mockingly called summer, Europe fills up with visiting U.S. professors, politicians, company presidents and the like who stop off at odd intervals to air their thoughts in friendly embassies, chambers of commerce and the like, and then proceed, refreshed, to the next port of call.

If you have an inexhaustible curiosity about the human species such peripatetic individuals rarely fail to enlighten, or amuse or perplex. Sometimes they do all of that, and more.

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MEN AND MATTERS

The pay rise of Brezhnev

Amid all the huzzahing accorded Leonid Brezhnev by the faithful in the Soviet Union, one aspect of his self-propelled rise has received no official attention: the matter of his salary, not surprising in a country where the pay of all senior party and government officials is a tight secret.

But his earnings must have risen considerably recently, since the Russian leader has not only disposed of the notion of a ruling troika by bidding Nikolai Podgorny farewell and becoming President himself, he has also been promoted to the rank of Marshal of the USSR.

According to the best Western estimates, Brezhnev was earning, before Podgorny's departure, 1,000 roubles a month as head of the Communist Party. At the official exchange rate that is £780. Then comes the Presidency which is reckoned to carry about the same salary, meaning that Brezhnev doubled his money overnight.



President, though that, like \$50,000 in expense allowances, is taxable. As for Russian perks, there are the expensive cars which Brezhnev the auto enthusiast receives from visiting dignitaries; he also has access to well-stocked Kremlin shops, private clinics, and the so-called "Kremlin ration" of coupons exchangeable for Western luxury goods, a practice known to the uncharitably minded as "the trough."

Warming

The ceremony of 107 banks signing the largest Euro-currency loan ever made to Brazil was a slow but warming one yesterday for 32-year-old David Gallagher, an assistant director of Morgan Grenfell who co-ordinated the operation. But Gallagher is not the archetypal City banker: less than three years ago he was lecturing at the Oxford in Latin American literature. He decided on the National Association of Business Economists' Professor of

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Heartless cuts • social insecurity

NOT EVERYONE who questions the wisdom of some public expenditure is a hard-hearted ogre. Take, for instance, Mr. George W. Lee, who is the Secretary-General of the National Society for Mentally Handicapped Children. The unfortunate youngsters who are served by Mr. Lee's organisation must depend for the whole of their lives upon either private charity, or direct assistance financed by taxpayers, since mental handicap is a permanent disability (unlike mental illness, which can be cured).

In a weekend speech to launch "Mental Handicap Week" Mr. Lee described in harrowing terms the suffering of families which have accepted the responsibility of caring for previously handicapped children, and which have relied upon assistance given by the hospital support services. The sporadic withdrawal or curtailment of such services, in the interest of cutting expenditure, surely cannot be justified by the present state of our economy. Their maintenance is a national priority, but cash limits have been received differently in different areas.

Inferior

Mr. Lee put it: "Both local and central government have been quick to point out the enormous increase in real terms of the amount being spent on health and social services over the last ten years, and this remains the fact. But the fact remains that the services are undeniably greatly inferior to what they were before."

Less than ten years ago, he said, it was possible for desperate parents secure, with little

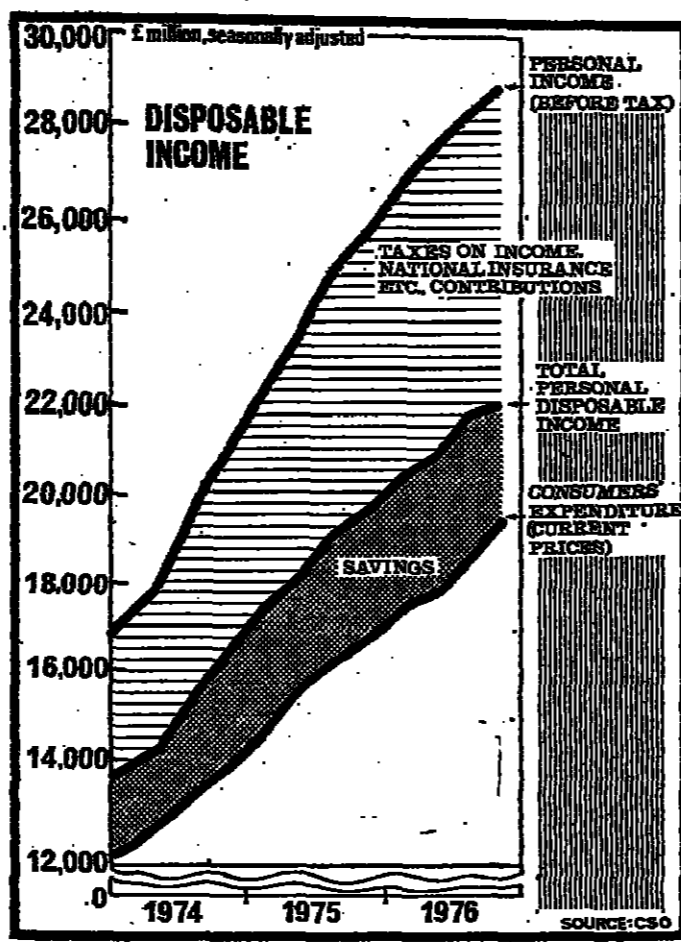
delay, a place for their mentally handicapped child in a hospital, "albeit such provision in modern terms is seldom considered appropriate to their needs."

Today, "despite the welter of legislation which has since been passed, and in spite of the great army of administrators, consultants and workers at all levels which has now been recruited, at breathtaking cost to both ratepayer and taxpayer, in all too many cases such parents, whatever the degree of illness involved, are given little hope of a hospital bed or indeed of any alternative place in the near future."

It was not even the more sophisticated services for the mentally handicapped that were the main concern at present, but rather the basic human needs of families in acute distress through the denial of rudimentary provisions like a place at an adult training centre, or any residential alternative to the domestic home.

Mr. Lee does not hide his feelings about the cause of this disparity between the increasing cost of such services and the decreasing availability of them. The several relevant laws passed since 1970 had obliged local councils to expand their labour-intensive social services departments, the working week in council offices had been shortened, and the health and social services were suffering from "legislative and bureaucratic constipation."

As one result local authorities had not even managed to complete a register of the disabled, as they should have done according to the Chronically Sick and Disabled Persons Act. The lesson, says Mr. Lee, is surely



that "the maintenance of a most important, is that services costly bureaucratic machine, out for the mentally handicapped, and others who are unable to work force being administered, makes neither for efficiency nor for good staff morale." To be fair, the Department of Health and Social Security is trying to cut administrative costs—but, to old, the sick, and the mentally handicapped who suffer, should be doubly fair, its ambition is a puny one.

are simply using the plight of the unfortunate in a cynical effort to maintain the numbers on their own membership rolls.

That said, the nagging mystery remains. A senior official, very much concerned with the current series of public spending cuts and on the whole well-disposed towards them, once asked me, "have you tried to prepare an article on who really suffers—I'll bet it is the weakest and most unfortunate in nearly every case." A comprehensive and fair account of what has taken place over the past year would require several months' investigation by at least half-a-dozen researchers, so the question put by my acquaintance cannot be answered here. But we who support cuts must think about how best to ensure that the bureaucrats who implement them do not succumb to the temptation to look after themselves first, even at the cost of what happens to the mentally handicapped and others as badly off.

A TEMPTATION that in its way is just as repulsive with potentially cruel consequences is to call for the virtual abandonment of the Welfare State, and its replacement by a system of self-help, insurance, and private charity. Just such an unrealistic vision is to be found in a new Bow Group pamphlet, "Social Service Sense," by Mr. Nicholas Ridley, the Conservative MP for Cirencester and Tewkesbury.

figures because they have an air of partisan disharmony about them, but it seems reasonable to concede much of the essence of his criticism so far.

It is his remedies that are too simple by half. For education, he says, "the solution is the voucher system." Every parent would receive vouchers that would go towards paying for the education of their children. "My own preference is for the voucher to be treated as taxable earned income in the parents' hands," says Mr. Ridley. Private schools could accept them; if the fees exceeded the value of the voucher the parents would have to find the difference.

Market forces

The Ridley argument is, roughly, that market forces would then oblige schools to provide the kind of education that parents want. This should certainly be tested, in British conditions, by an experiment in the area of one or two local education authorities. In the absence of such a test there is no case for sweeping aside the objections of those who protest that the poor would suffer most under a voucher system.

Likewise, Mr. Ridley argues for a move from the existing NHS towards a health service in which treatment and hospital care were charged for, with the State re-imbursing the patient. The trouble with his view is that he says "it does not seem wise to lay down a whole series of maximum charges for each treatment or operation in hospital"—without, apparently, realising that the single most beneficial aspect of the NHS is the way in which it enables

Ministers, on behalf of taxpayers, to keep the incomes of medical personnel well below the unnecessarily inflated rates squeezed out of other systems by rapacious doctors and surgeons. He says that "it would probably be best to leave the level of charges made by hospitals to a mixture of competition and the good will of the medical profession," but this is unconvincing.

Again, leaving all pensions to the life assurance industry (save for poverty relief by the State) is simply too out of tune with the way most working class people behave to be practical in Britain, at least this side of the turn of the century. We are individuals, and need to assert our individualism—but we are also part of a community. Mr. Ridley seems to forget the social element of society.

ONE CONTINUING preoccupation of this social element is with relative incomes. "How much are they getting?" and "How does it compare with me?" are two questions that we British never forget. Because of them the perpetual argument about wages, prices, taxation and inflation goes around in circles.

There is of course a way out of this, if a Government with the will and the power to carry out its will chose to follow it. State-owned enterprises could be informed that in any cash squeeze caused by inordinate wage increases, or a ceiling on price rises, employment would have to be cut.

and possibly even the makers of solar heating panels and windmills. The Post Office, which has recently been arguing that we complain when it loses and complain when it makes a profit. It would need to be reminded that it is a monopoly and has the responsibility to exercise the self-restraint of a monopoly.

Alas, this dream world does not exist. I do not know the answer; if I did I would move to a tax haven in order to enjoy to the full the benefits of peddling it. But before we can even begin to devise a different way out, we need information that is not readily available.

This could be a set of indices that showed the current state of post-tax income, adjusted for price increases, for various sections of the population at any one time. The Dutch have something like it; our complex tax and social security structure would make compilation difficult but it should not be impossible.

Still falling

The chart shows the nearest we have: a national aggregate of the hypothetical net disposable income after taxes and savings; in real terms this began to fall in 1975 and of course it fell again last year. We can all feel that it is still falling. But what would help, in the great national wage-price-investment employment debate, would be a central figure, or set of figures, that all could agree would tell us what was leading and who was lagging. They could be monthly or quarterly. At present the argument is conducted on the basis of muscle, and political theory; the Government Statistical Service could help us to base it on facts.

Letters to the Editor

Understanding profits

From M. J. Roullier
Sir,—In adding support to the proposal by Mr. G. R. Jones (June 9) for "partnership" arrangements so that all concerned can be better informed of the results of their efforts, I would suggest that there is a further partner to be included. This, of course, is the Government, which can contribute so much to improve the environment in which business operates, and which provides the motivation for employees and investors.

| | |
|--------------------------------|-----|
| Employees | Em. |
| Government | 148 |
| Shareholders | 23 |
| Retained for future investment | 237 |
| Total partnership income | 287 |

It could be hoped that greater understanding of this information would enable the politicians to see the relationship between the improved productivity available from successful profitable companies and the financing of necessary public expenditure programmes. Perhaps we would then begin to obtain more Government incentive for personal effort and a reduction in legislation which operates to the detriment of business efficiency. A major step in this process would be the replacement of the Sallick proposal with legislation to require companies to publish annual partnership income (added value) statements.

Engineering in Britain

From Prof. Sir Hugh Ford, President of Institution of Mechanical Engineers.
Sir,—My first reaction to your article "British Engineering" (June 14) was one of mild dismay. Not that there was anything wrong with its content, but it presented a very different view on our industry, even on the subject of the institutions and CEL.

My depression was caused by the front page sub-heading, applying once again that North Sea wealth will contribute to it, if it becomes the sole source of our survival as a manufacturing country. By every means possible, we have to make it clear those who guide our thinking at money from North Sea oil will have no more effect on our industrial performance than a mittance from father will form a spendthrift son. Oil revenue may indeed help reduce industry's taxation burden and allow companies to end more on reinvestment, but any spent on re-equipment and product development is lost unless it leads to higher productivity, a product for which there is a demand, and a sales cord to match. We cannot rely on money and machines alone to bring us success—the third and

vital element is people. We need enlightened management willing and able to exploit the best technology (not necessarily the latest) and a work-force willing to increase its earnings by taking advantage of new equipment provided for machine of industry.

There must be a greater awareness, not only in the factories but among the public, that all industries are engineering-dependent. Above all, sooner or later the professional engineer must be recognised as the key element in the development of industry. His special training, skills and dedication there will be the future for British engineering, oil or without North Sea oil.

Need for training

From the Chairman, East Sussex Group, Engineering Industries Association.
Sir,—The survey on British engineering (June 14) covered the subject with one exception. It came into contact with the real backbone of the country in its capacity, the small engineering firms with less than fifty employees, and a great number of them with only one or two self-employed men, highly skilled, able to innovate, design and manufacture at a fraction of the time and cost of the laborious methods used by the large companies.

These very small concerns are not able to afford the time or expense of training. They need national training centres to feed their skilled men to take over their expanding businesses. The sooner respective Governments realise the sub-contracting engineers need this type of assistance, and discontinuing the incessant petty restrictions and crippling taxation on engineers willing to work up to sixteen hours a day without unions, strikes, closed shops and national agreements, the faster our economy will recover and engineers will receive the high pay and accolades they deserve.

Inadequate profits

From the Vice-President, Engineering Industries Association.
Sir,—I would refer to a report by Mr. Roy Hodson (June 8) under the title "Government blamed for engineers' plight." It is felt that the table showing the return on capital over a number of years in the industry is rather misleading. It would appear that the

"capital" referred to can only be the registered capital and not the capital actually employed. The return percentage figures quoted appear therefore to be exceedingly high and might be misunderstood by less informed people, particularly rank and file workers and lower management and union shop stewards, etc. If capital employed is considered and inflation is taken into account, then the figures quoted are at least ten times that applying. Further, inflation would, it seems, also transpose the figures as between small and large companies, since large public companies have been able to raise their capital more easily to finance

the bulk of the engineering industry is earning totally inadequate profits to finance further inflation, leave alone invest in modernisation of production machinery. One of the main difficulties is that over 35 per cent of the total added value by the industry, the true measure of performance, is being siphoned away in various forms of taxation.

Violence on TV

From Elizabeth Young.
Sir,—Chris Dunkley (June 1) and Milton Shulman (June 8) are surely both of course in this milieu of violence on TV? If TV is a window on the world, it clearly is what it does, it gives people ideas about what they carry on, what they do, what "reality" is, what our own society considers "normal" and their daily lives people will take this idea of the "normal" into account, as they always have taken what is "normal" into account. The usual internal mix, in people's minds, of motives and influences and calculations cannot be measured in precise figures (nor usually can precise causalities be followed up), but if we show, say, racial violence, blacks and whites and browns cllobbering each other every night on television, a lot of children (and adults too) wondering to themselves about what really is "normal" behaviour between people of different colours, will conclude that in our society, knocking people about is what is "normal" and they will be that much more likely themselves to engage in violent behaviour when opportunity offers. How much more likely? That much more likely.

As children, we have to develop ideas about normality and also about how to cope with violence. We know, instinctively, that violence is a threat to us and that we had better understand it, and watch out, and learn how to avoid it or use it. This makes it a kind of duty for us to take notice when it happens, whether in real life, or the screen. We all know how money can be made by playing on our instincts, set, mother love, feelings about violence.

On TV freedom of expression cannot be absolute; limited time and limited resources dictate that expression be planned and controlled (and that standards be determined by someone, somewhere; part of all Governments is not

which is not, the case with expression in print and manuscript, where nearly absolute freedom can obtain). TV can't spread ideas about what society should be, but the standards adopted by the present TV planners and controllers are in practice spreading the idea that violent behaviour is normal. It is a political question whether we want them to. Elizabeth Young, 100 Bayswater Road, W.2.

Post Office services

From the Director, Public Relations of the Post Office.
Sir,—I was most interested in Mr. Ratcliffe's views (June 11) with his emphasis on speed and reliability as the prime requirements for his parcel customers. In particular his observations on the Post Office's parcel service. This general service is designed to cater for the national distribution of parcels as cheaply as possible, and the majority are delivered within three days.

Freedom under the law

From the Chairman, British Legal Association.
Sir,—Freedom under the law demands that the law itself should be upheld by those responsible and it is therefore deplorable that the Attorney General should have refused to lend his support to proceedings designed to bring to an end the unlawful actions of postal workers in blocking the mail to the Granville factory. It matters not whether one supports, opposes or is indifferent to the strike affecting that factory where, or so it appears, an attempt is being made to impose union membership on unwilling workers.

The postal workers' action is not in support of a trade dispute of their own and in any event Mr. Michael Foot's generous offer to promote a Bill in Parliament to give postmen the right to strike has not yet come to fruition. However much one may have been the unwilling spectator of government by retrospective decree in the past, the time for that "standards" be determined by someone, somewhere; part of all Governments is not

the present, if indeed they can ever be justified. Practising solicitors are daily confronted with evidence that people are becoming more and more disillusioned with the institutions which seem to them to be ever more a part of daily life and the unwillingness of those in power to maintain the rule of law irrespective of race, colour, creed or political beliefs. This cynicism is destructive of the basis of our free society and makes it much more difficult for lawyers to carry out their role as ministers of justice.

The Attorney General may care to reflect that his reluctance to invoke the law against the postal workers is seen by those violently picketing at the Granville factory as an encouragement of their behaviour and, no doubt, by the police who are trying to maintain the right of individuals to go to their places of work unmolested, as disheartening to say the least. S. P. Best, 64, Highgate High Street, Highgate, N.6.

Current cost accounting

From Messrs J. Cripps and P. Pennington-Legh.
Sir,—Mr. Noyes's letter (June 17) underlines one fundamental predicament: chartered accountants are obliged, at least to consider on July 6.

Practising chartered accountants who support current cost accounting, will be, de facto, exacerbating the duty of their fellow chartered accountants not in public practice, to retain objectivity in their work. There will be some who consider the conduct of supporting current cost accounting so discourteous and inconsiderate that it is unethical. Certainly this point should be answered. Jeremy Cripps, Peter R. Pennington-Legh, 21 Mill Lane, West Hampstead, N.W.6.

Prices and exports

From the Chairman, Roles and Partners.
Sir,—It is interesting that the Prime Minister is to chair two conferences designed to give industry an opportunity to discuss the relative failure of the technique of devaluing the currency in order to make our export prices more competitive. The National Economic Development Office has recently published an important paper on the related theme of non-price factors and export performance. The paper examines very thoroughly the case for maintaining prices in export markets and channelling any "super-profit" achieved by devaluation, into increased export marketing effort and into product development.

Many of us involved in industrial export marketing have, over the years, advocated strongly that the price alone is seldom the determining factor in securing business and that excessive reliance upon price competitiveness is, in the long run, likely to be as self-defeating as all the other protectionist measures. Let us hope that Ministers, management, and unions at the forthcoming conferences will accept Britain's fundamental need to increase investment in product development and in international marketing effort, for the successful implementation of such a policy is crucial to the maintenance of our present standard of living. H. T. Parker, Zoyle Street, W.G.1.

To-day's Events

- Prime Minister addresses special meeting of Labour MPs and is expected to demand more loyalty and discipline.
- Mr. Denis Healey, Chancellor of the Exchequer, leads team of senior Ministers in talks with TTC Economic Committee on future of pay policy.
- Provisional unemployment figures for June.
- EEC Foreign Ministers meet, Luxembourg.
- EEC Agriculture Ministers end two-day meeting, Luxembourg.
- The Queen and Duke of Edinburgh pay Jubilee visit to Merseyside.
- Mr. Leonid Brezhnev, Soviet President and Communist Party leader, on official visit to France.
- Mrs. Margaret Thatcher, Opposition leader, addresses CBI conference on Business Opportunities in China, Quaglinos, S.W.1.
- Confederation of British Shipbuilding and Engineering Unions conference opens, Scarborough.
- Figures of new construction orders for April.
- PARLIAMENTARY BUSINESS: House of Commons: Proceedings on Price Commission Bill.
- House of Lords: Redundancy Rebates Bill, committee. Detonators Bill, committee. Town and Country Planning (Amendment) Bill, committee. Mifibus Bill, second reading. Import of Live Fish (Scotland) Bill, report stage. Debate on plans for clarification of law on fish farming.
- Select Committee: Nationalised Industries (sub-committee A). Subject: British Waterways Board. Witness: Inland Waterways Amenity Advisory Council (4 p.m., room 5).
- COMPANY MEETINGS: See page 19.

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£0.86m. surplus for Keyser Ullmann in second half at Courtaulds

MPARED with the first-half £1.13m. Keyser Ullmann Group made a pre-tax profit of £86m. in the second six months March 31, 1977, ending the year virtually unchanged with a profit of £85m. compared with £84m. in 1976. The profit was £85m. compared with £84m. in 1976. The profit was £85m. compared with £84m. in 1976.

BOARD MEETINGS. The following companies have notified dates of Board meetings in the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not available whether dividends are to be paid or not and the sub-divisions shown below are based solely on last year's timetable.

leave a credit balance on reserves of £5m. A subsidiary, Hoechst Trust announced a dividend of £1.5m. to £2.5m. and a net loss of £2.07m. compared with £1.65m. The deficit includes a lower net loss from non-banking activities amounting to £1.79m. (£4.39m.) loss incurred by the associated banking company. Loss per share is shown to be 102p (23.6p).

AUTHORISED CAPITAL expenditures of Courtaulds outstanding at the beginning of the current financial year amounted to a total of £44m. which 25.5m. is authorised but not yet subject to contract. The group has continued to spend substantial sums towards the completion of projects already under way particularly the new polyester filament plant at Letterkenny in the Republic of Ireland, the Campsie sheet and workwear factory in Northern Ireland and the Belmont weaving shed in the North East of England, say the directors.

However, demand was severely limited by a further increase in imports. Man-made fibre production in the U.K. showed some increase over the previous year, but was well below the high 1975 level. For the calendar year 1976 overseas trade in man-made fibres showed an excess of exports over imports of £81m.—a 31 per cent. improvement on 1975. Sales during the year compared favourably with those of other major producers. It is stated.

Chi ben comincia, è alla metà dell'opera
(Well begun is half done)

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for the coming year the directors say it would be foolhardy to expect large profits and they intend to establish steady rather than spectacular growth—current performance is good and the company's traditional domestic and export banking business continues to expand. The directors have also noted that the prevailing interest rates remain around the present level and the property market stays reasonably firm. They expect that the value of the pound will show a further addition to shareholders' resources, some of which will be from the release of existing provisions.

reached a total of £10m. and negotiations are in progress over a further £2m. But the directors find the letting market slow and there is some property which remains empty, and the offers for building land are still below an acceptable price.

GRA profit after asset sales. GRA Property Trust, the greyhound stadia and property group, made a pre-tax loss in the six months ending April 30, 1977 of £71,000 compared with a deficit of £36,000 in the corresponding period. However, after asset disposals GRA showed a profit at the half-way mark of £28,000. The interim statement to shareholders explains that, while the listing has been suspended, the Stock Exchange has agreed that dealings can still take place in the shares under Rule 183 (2). This means that permission for specific bargains has to be obtained from the Council. Board points out that this does not preclude the re-listing of the shares at some later date when conditions permit.

Thomas Locker chairman confident. Most companies in the Thomas Locker (Holdings) group started the current year on a high level of activity and order books are well in excess of the previous period, states Mr. J. R. Locker, chairman. The group, which operates as screening and filtration engineers, is making a determined and comprehensive attack on world markets which, says the chairman, will enable it to continue present steady progress.

With the diversity of products and geographical spread of markets, he looks forward with confidence to another good result this year. As known, pre-tax profit for the year ended March 31, 1977 rose from £5.5m. to a record £22.05m. Turnover rose to £27.7m. and R & D activities made further progress and the present position appears to be improving, the chairman adds. Meeting, Warrington, July 14, 11 a.m.

ST quarter 1977 turnover of £1.3m. improved from £1.0m. in 1976. Pre-tax profit rose to £1.3m. from £1.0m. in 1976. Exploration and production in America contributed £1.16m. to turnover and £1.03m. to operating profit of £1.3m. (£0.4m.) in the commercial division £1.85m. (£1.5m.) and £1.07m. (£0.7m.) respectively. In the full year 1976 reported tax profit was £2.45m.

drilling of seven exploration wells resulted in two oil and five gas producers; profits reflect increases in production and oil and gas prices. In the U.S. the Federal Power Commission in February, 1977 granted Tricentrol "Small Producer" status, which allows a price cap of 120 per cent over the first stages of re-equipment. The loss is also the result of the ability of competitors in the U.K. to sell their surplus gas to the principal market, to avail of the TES of £20 for every employee each week.

Liquidity at Sabah Timber. Working capital of Sabah Timber Company increased during 1976 by almost £4.2m., mainly as a result of inflation. Mr. J. McLeod, chairman, says that it is noteworthy that "liquid" resources available to the company are £1.25m., leaving the group well placed to take advantage of further opportunities for growth. Shareholders' funds now stand at more than £13.5m.

Kleen-e-ze soars to £429,228. On turnover ahead from £4.97m. to £9.1m., pre-tax profit of Kleen-e-ze Holdings for the year to March 31, 1977, soared from £17,114 to £429,228. Reporting an increase from £4,470 to £209,388 at half-time, the directors say the "improving trend" in profitability was "backed up" by a 28 per cent rise in the net per 25p share lift the total by the maximum permitted from 3.475p to 3.8225p.

Seafield Gentex deficit. The Cork-based textile group Seafield Gentex incurred a pre-tax loss of £1.9m. in the half year to March 31, 1977, and Mr. R. D. Lord, the chairman does not expect a profit for the full year. For all 1975-76 there was a deficit of £584,647. The Preference dividend was passed and again there is no interim Ordinary. The last dividends were a total of 8p gross for 1975-76.

JERSEY GENERAL INVESTMENT TRUST LIMITED. Financial Highlights for the year ended April 30th, 1977. Earnings per Ordinary share 13.32p 11.84p. Dividend per Ordinary share 11.5p 10.0p. Total Net Assets £17,797,680 £17,797,680. Net Asset Value per Ordinary share 293.75p 293p.

While the results for the first half of the year are extremely disappointing, the directors are still hopeful that the group will earn profits during the remaining six months, particularly if some form of counter measure to the British TES is forthcoming. However, we do not expect to earn a profit for the full year to September 1977. The chairman says it has been decided to dispose of Milano Fashion.

Bell & Sime advances to £196,296. On turnover up 54.5m. to £3.7m., pre-tax profit of timber importers and sawmill operators Bell and Sime advanced from £164,085 to £196,296. The directors said at half-time that results for the second half would be comparable with the £89,151 against £83,438 achieved in the first half. The dividend total is stepped up from 3.675p to 4.267p with a net final of 3.822p. The profit was struck after depreciation of £28,717 against £24,893 and interest of £185,984 (£20,245). Tax took £102,098 (£28,408).

SIMON ENG. TO DO BETTER. Shareholders in Simon Engineering were told at yesterday's annual meeting by Mr. L. Brock, the chairman, that the company had hoped there would have been a greater upturn in world trade by now and that expansion just does not have the anticipated impact. He added that the group will need to intensify efforts in overseas markets to maintain market share. As far as our overall results for 1977 are concerned, we expect to do better than last year, he said.

Summary of Accounts for the year ended 31st December 1976. GROUP PROFIT AND LOSS ACCOUNT. OPERATING REVENUE 67,066 53,339. OPERATING EXPENDITURE 63,152 57,425. OPERATING PROFIT (1975 LOSS) 3,914 4,086. NET INCREASE IN RESERVES 6,737 36,118.

GROUP BALANCE SHEET. EMPLOYMENT OF CAPITAL £000 £000. NET FIXED ASSETS 96,339 101,743. INVESTMENTS 9,860 9,867. NET CURRENT LIABILITIES 7,015 10,273. FINANCED BY PORT STOCK AND HARBOURS ACT LOANS 73,221 68,560. STOCK AND LOAN REDEMPTION FUND 10,254 17,930. PORT MODERNISATION AND INVESTMENT GRANTS 5,904 6,128. DEFERRED TAXATION 10 4. MINORITY INTERESTS IN SUBSIDIARIES 99,184 101,337.

GROUP SOURCE AND APPLICATION OF FUNDS STATEMENT. SOURCE. PROCEEDS FROM SALES OF FIXED ASSETS 5,949 5,579. RECEIPTS OF HARBOURS ACT LOANS 5,630 6,152. PROCEEDS FROM SALE OF INVESTMENTS 1,000 1,980. NET MOVEMENTS IN DEBTORS, CREDITORS AND STORES 140 5,741. EXPENDITURE ON FIXED ASSETS 4,474 3,875. NET OUTFLOW OF FUNDS ON PROFIT AND LOSS ACCOUNT 2,750 10,459. PURCHASE OF INVESTMENTS AGAINST FUTURE STOCK AND LOAN REDEMPTIONS 1,132 1,126. REPAYMENT OF HARBOURS ACT LOANS 949 606. PURCHASE OF PORT STOCK FOR EXTINCTION 16 10,671. PURCHASE OF GOODWILL 9,321 28,806. NET INCREASE IN LIQUID FUNDS (1975 DECREASE) 3,398 9,354.

Extracts from the Chairman's Statement. Looking ahead there are still too many unresolved problems to allow more than a very modest degree of confidence that the world's recent economic difficulties are behind us. Once again it can be shown that your Company's basic policy of seeking steady growth of income and capital through a wide and flexible spread of holdings has provided shareholders with a most satisfactory investment. Over the 10 years to April 1967, the rate of Ordinary Dividend has been increased by 130 per cent and the net asset value per Ordinary share by 115 per cent. There is a reasonably active market in the shares, which are officially quoted on The Stock Exchange. Your Board will continue the policy outlined above and, in the absence of unforeseen circumstances, is confident that the increased rate of dividend will at least be maintained. In view of this and in order to reduce the disparity between the interim and final dividends it would be the intention of the Board to increase the interim payment next November. Copies of the Report and Accounts are available from the Secretary of the Company, 21, Broad Street, Jersey, J.J.

Directors MAURICE LETTO, F.R.S.L. (Chairman) Advocate L. C. INGRAM (Vice-Chairman and Farming Manager) Sir GILES GUTHRIE, Bart., O.B.E., D.S.C. The Rt. Hon. THE EARL OF JERSEY R. G. MALTWOOD Dr. I. H. THURSTON, Ph.D.

Financial Highlights for the year ended April 30th, 1977. Earnings per Ordinary share 13.32p 11.84p. Dividend per Ordinary share 11.5p 10.0p. Total Net Assets £17,797,680 £17,797,680. Net Asset Value per Ordinary share 293.75p 293p.

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REPORT OF THE AUDITORS TO THE PORT OF LONDON AUTHORITY. As auditors appointed under section 59 of the Port of London Act 1968, we have examined the accounts set out on pages 13 to 24 which have been prepared on the historical cost basis of accounting modified to include the revaluation of certain fixed assets. In our opinion the accounts give a true and fair view of the state of affairs of the Authority and the Group at 31st December 1976 and of the results and source and application of funds for the year ended on that date and comply with the Statutory Harbour Undertakings (Form of Accounts etc.) (General) Regulations 1968. Deloitte & Co., Chartered Accountants, London, 16th June, 1977. Published by the Port of London Authority under Section 8(3) of the Port of London Act 1968. J. C. JENKINSON, Secretary, 21st June, 1977.

Report of the auditors on the published accounts of the P.L.A. is shown below. The report of the auditors to the Port of London Authority. As auditors appointed under section 59 of the Port of London Act 1968, we have examined the accounts set out on pages 13 to 24 which have been prepared on the historical cost basis of accounting modified to include the revaluation of certain fixed assets. In our opinion the accounts give a true and fair view of the state of affairs of the Authority and the Group at 31st December 1976 and of the results and source and application of funds for the year ended on that date and comply with the Statutory Harbour Undertakings (Form of Accounts etc.) (General) Regulations 1968. Deloitte & Co., Chartered Accountants, London, 16th June, 1977. Published by the Port of London Authority under Section 8(3) of the Port of London Act 1968. J. C. JENKINSON, Secretary, 21st June, 1977.

JOHN BRIGHT GROUP



"A major expansion programme"

The 54th Annual General Meeting of the John Bright Group Limited will be held in London on July 13, 1977. The following is a summary of the circulated Statement of the Chairman, Mr. I. M. L. D. Forde, for the year ended April 2, 1977.

Turnover increased from £18.6 million to £20.7 million and pre-tax profits from £1,180,256 to £1,253,235. Profits after tax were £600,471 as against £566,429. The total dividend for the year is 2.42p—an increase of 10% which is the maximum permitted.

In our Industrial Textiles Division the demand for conveyor belting fabrics was weak, but a substantial overseas contract contributed significantly. Sales picked up steadily after Christmas and the second half of the year in fact showed an improvement over the same period of the previous year.

Our investment last year in a second fabric treating machine has proved to be timely, and steps we have taken to establish a more positive presence in the Common Market leave us well placed to take advantage of any recovery when it comes.

A major new investment programme in the Industrial Textiles Division on the building of a new Weaving Shed and the purchase of new looms will increase our capacity and strengthen our ability to meet the requirements of the changing markets which we seek to supply. Further expenditure is planned next year, and the whole programme when completed, in addition to the Fabric Treatment Unit already commissioned, should give us the most modern integrated plant of its kind in the United Kingdom and possibly the whole of Europe.

During the year the weight of stock held in the Group was reduced by some 10% but increased by 36% in value. Although our cash flow has been satisfactory, the Board decided to arrange a medium-term loan for £1 million to ensure that finance will be available for the new capital investment without placing further strain on our working capital position.

Our Spinning Division's performance was particularly encouraging in the light of the depressed state of the spinning industry generally in the country, and our carpet yarn spinning unit at Park Mill continued to show steady improvement.

In our Cord Fabric Division, production and deliveries increased substantially and this level should continue at least for the early months of the present year.

The progress of the Group during this current year will depend in large part on the timing of business recovery on a world scale, which is itself unpredictable. We have, however, launched a major expansion programme and this is the clearest evidence of the Board's confidence in the longer term outlook for the Group.

BIDS AND DEALS

City Panel criticises Royal Sovereign

Royal Sovereign Group, which was taken over in an £8.5m. deal by Dickinson Robinson Group last year, has been criticised by the City Panel on Take-overs and Mergers for a breach of security which permitted a former employee to make a potential bid of at least £14,500 on share dealings.

Despite this failing the Panel, which has long campaigned for "insider dealing" to be made a criminal offence, concludes that no improper use of confidential information was made by anyone who was party to the discussions in the week preceding the announcement of the offer by DRG.

JOHN STEPHEN LOAN STOCK AGREEMENT

A settlement has been reached between John Stephen of London, the menswear retailers, and the four principal vendors of the Gary Elliott retail chain which John Stephen acquired in 1973 for a consideration of £198,000 stock, 1974-75.

John Stephen has agreed to accept the surrender of the loan stock for no payment and has released the holders of the stock, all of whom were the vendors of Gary Elliott, of all claims and will not pursue any further claims against the individuals. A judgment against John Stephen for repayment of the loan stock is to be set aside as a term of the settlement and all proceedings are withdrawn.

Shares in John Stephen were suspended at the beginning of this month at the company's request following a jump in the price from 8p to 11p. An announcement followed that the bid talks with an unnamed party had reached an advanced stage. Prior to that approach, Mr. Michael Sobell, a director of John Stephen, had said that having been reached and commitments given by directors of Royal Sovereign and their families for their shares.

However, common such arrangements may have been in the past, says the Panel. "A potential offer should not take steps to prohibit a company making an announcement at any time it considers appropriate."

NEW BRIDGE
London and European Group announces that acceptances of its Preference shares (90.02 per cent.) for the Ordinary shares of cent., together with previous New Bridge Holdings have been received in respect of 2,094,754 per cent of the Ordinary share

JFB/BRITISH ROLLMAKERS

As at 3 p.m. yesterday Johnson and Firth Brown had acceptances in respect of 16,490,577 Ordinary shares (74.22 per cent.) of British Rollmakers Corp. 382,290 2.8 per cent. Preference shares (95.57 per cent.) and 124,878 3.53 per cent. of the Ordinary shares (90.02 per cent.) together with previous JFB Holdings have been received in respect of 2,094,754 per cent of the Ordinary share

Grand Met. buys stake in Pleasurama

By James Bartholomew

Pleasurama, the casino operator, announced yesterday that the Grand Metropolitan hotels group had acquired approximately 29 per cent of its issued Ordinary share capital from the Williams Hudson Group. The move followed an agreement to move the A.M. Casino, a major joint venture of Pleasurama and Grand Met, from its current premises to the Ritz Hotel.

The Board of Pleasurama stated that it welcomed the share transaction, as it would ensure the harmonious business relationship that already exists between the two groups. The A.M. Casino is 48 per cent owned by Pleasurama and 52 per cent by Grand Met, a subsidiary of Grand Metropolitan. According to the Pleasurama managing director, Mr. E. H. Thomas, the move to the Ritz should mean that the business will be run as a single unit. The final arrangements for the move have yet to be completed.

The advantage of the deal for Pleasurama, according to Mr. Thomas, is that the important stake in the company has now found a long term home with a "first class public company." He commented that "morale has been improved tremendously." The Gaming Board made no official comment, but it is part of its declared policy to discourage foreign ownership of casinos. The previous owner of the Ritz, Mr. Williams Hudson Group, is under the ultimate control of a company based in Panama.

As for Grand Metropolitan, the joint managing director, Mr. E. H. Sharp, said that the purchase would safeguard its joint investment with Pleasurama. The deal is probably its most important purchase of shares in a public company since the buying spree of 1970-72 which ended with the acquisition of Watneys. Mr. Sharp said that G.M. had gone through a period of digesting and sorting out these earlier acquisitions and now look forward to a period of "controlled development."

BRIDPORT-GUNDRY ACQUIRES U.S. BASE

Bridport Gundry (Holdings) is making a U.S.\$1.2m. (approximately £780,000) move into the North American market with a double acquisition. The purchase in question are for 90 per cent of Brownell and Company Inc., which markets and manufactures synthetic threads, twines and lines to customers in the sports, industrial and fishing markets, and the whole of the capital of Brownell and Company which sells its products to sporting goods and fishing industry customers.

Part of the consideration will be on a deferred basis and taking into account the interest element on the deferred portion, the total outlay will be U.S.\$1,324,128. Of this, U.S.\$492,078 is payable on June 30, 1977, \$702,125 on January 6, 1978, and the balance in equal instalments over a period of four years.

Bridport-Gundry has also agreed to buy the shares of 90 per cent of Brownell and Company from Mr. H. C. Loeza, when he retires or leaves the company for any other reason. The terms of the purchase, which will be decided on a fair market basis, are subject to a minimum of U.S.\$125,653. Mr. Loeza is to join the Bridport-Gundry Board.

DISCUSSIONS AT DIMPLEX

The Board of Dimplex Industries, which called in a receiver at the end of May, said yesterday that discussions were taking place with a U.K. company which could lead to an offer for the electrical appliance group.

Dimplex, with liabilities of £8.5m. at the time of the last directors' meeting, had incurred losses to October last year of £12,000. The shares were 9p when suspended prior to announcement of a receiver. Allied continues the Midland Bank, moving in.

Since then production has continued with a view to selling the business as a going concern. Only one serious offer so far been received, the company said yesterday, and a further announcement will be made as soon as possible.

BRENT WALKER SHARE SALE

Mr. George Walker, managing director and chief executive of the Brent Walker leisure group, has sold 600,000 shares in the company. The holding, which represents around 8.6 per cent of the equity of Brent Walker and which is valued at current prices at £174,000, has passed into the hands of six individuals who are already associates of the group.

Mr. Walker explained yesterday that he had reduced his personal holding which still remains at between 51 and 22 per cent of Brent Walker—as an alternative to the six acquiring a stake through the market because of the effect that such buying may have had on the share price.

Mr. Walker, who said yesterday that the equity participation of the six would only be good for the future of Brent Walker and that it was his intention to rebuild his stake in the group back up to the 20 per cent level in due course.

DUNDONIAN

South West Consolidated Minerals, a subsidiary of Dundonian, has completed negotiations to acquire a mining licence over a tin and tungsten prospecting area close to Gunnislake in the West Country.

The intention is to explore the tungsten deposits at Gunnislake in conjunction with the South West Consolidated Minerals prospects at Callington in Cornwall.

MINING NEWS

Gold Fields' \$A400m. iron cliff-hanger

By KENNETH MARSTON, MINING EDITOR

DETERMINED to obtain a Japanese iron ore sales contract for the new Mining Area "C" operation, the Mount Goldsworthy mining consortium in Western Australia is making efforts to cut production costs. It is intended to buy an established plant and set it up at the minesite with the result that expected iron ore price rises can be kept down to about 24 per cent.

Without such compromising and corner-cutting it was feared that the prices would have had to rise by some 70 to 80 per cent before new mining operations could be justified. Area "C" is destined to take over from the group's existing operations at Mount Goldsworthy and Shag Gap where reserves are running down.

The consortium has scaled down its original proposal for an overall production of 18m. tonnes of iron ore per year to one of 10m. tonnes. In effect, this means continuing with only marginal increases in total production. On this basis it is expected that the new project will cost little more than \$A400m. (£258m.) compared with \$A550m. on 1975 values for the earlier proposal.

The Western Australian premier, Sir Charles Court, is due to visit Japan next month where he will press the case for Area "C". It is a big orebody, lying about midway between those of Mount Newman and Hamersley but based on the Marra Mamba iron formation which is older, deeper and more friable than the impressive looking hematites that have made the Pilbara the major force in the world's iron ore trade. Following the recent restructuring, the Mount Goldsworthy joint venture is composed of Consolidated Gold Fields 40 per cent, MIM Holdings 20 per cent, and Utah Development 33 per cent. Previously, Consolidated Gold Fields Australia held a 33 per cent stake, but has sold 23 per cent to Gold Fields for \$A12.5m. and the remaining 10 per cent to MIM for \$A7m.

The next step, it is hoped, will be for the Japanese steel mills to take a 40 per cent stake in Mount Goldsworthy, leaving Gold Fields, MIM and Utah each with 20 per cent. But this is largely contingent on the group being able to secure the vital sales contract for Area "C".

Meanwhile, it is reported that the Mount End Iron partner, Mr. Garrick Agnew, has said that he will sign this week a \$A21.65m. (£13.8m.) contract to sell the company's 3 per cent interest in the Robe River iron ore project to the Japanese Steel Sanmoku and Mitsui; the first-named will take 3 per cent, and the others will share the remaining 2 per cent. Mount End will continue to receive a royalty on the ore sold of between \$A1m. and \$A1.5m. a year.

ALLIED SEEKING ENEABBA TALKS

Australia's Allied Minerals has requested a suspension of trading in its shares pending discussions with Du Pont (Australia) regarding Allied's continued involvement in the loss-making Allied Eneabba mineral sands operation in Western Australia.

Du Pont holds 32 per cent of the venture, the rest being held by Allied which expects to make an announcement within 14 days. Consaid Rotinto of Australia recently held talks with Allied on acquiring the latter's assets but the talks were terminated without agreement being reached. The Eneabba operation has been in difficulties since production started in 1975 and when output

finally reached capacity futile and zinc markets had turned sour.

In April, Allied Minerals reported a half-year loss of \$A2.17m. (£1.35m.) which followed a deficit of \$A4.96m. (£3.12m.) for 1975-76.

Madawaska has problems with its start-up

START-UP PROBLEMS have prevented the Ontario uranium producer, Madawaska Mines, from reaching target production at its Bancroft operation. The mine was re-opened last September by the Federal Resource Corporation of Salt Lake City holding 51 per cent of the equity and Consolidated Canadian Faraday of Toronto holding 49 per cent.

When the mine was in production between 1957 and 1964, the sole owner was Faraday.

Most of Madawaska's production is destined for Italy under a contract to supply the state utility, Agip, with 1,800 tons of uranium concentrates, but a sale of 100,000 lbs. of uranium concentrates to Ontario Hydro has recently been announced.

Our correspondent in Toronto explains that the latter sale, worth some \$C4m. (£2.19m.), complies with Canadian Government requirements that some Madawaska production must be reserved for domestic users.

The requirement also applies to uranium from Elliot Lake, where Denison Mines and the Rio Tinto-Zinc group's Rio Algom are expected shortly to announce sales to Ontario Hydro.

Madawaska had a net income of \$C215,000 (£117,100) in the December quarter of 1976. Concentrate sales were worth \$C8.2m. Proven and possible ore reserves are 1.2m. tons, averaging 2.9 lbs per ton uranium.

GRANBY LURED BY SAM GOOSLY

The Vancouver company, Granby Mining Corporation, which is the first five month-old Corporation of Texas has entered into the negotiations which could lead to production at the San silver-gold-copper mine in British Columbia.

Granby is reported to be providing the design and construction of facilities for the mine and concentrating Toronto correspondent that Granby is interested in a substantial minority Equity.

Granby's possible involvement means that two large groups are now linked in Goosly. Bolden Metall, subsidiary of the Swedish Bolden, is already having about a long-term contract to buy all the concentrate from the projected mine.

Granby is already active in its subsidiary, Copper, is mining low grade some 50 miles north of Goosly deposit. For Bolden is the major shareholder in Great Lakes Nickel, a property in Ontario.

GOLD OUTPUT IS STEADIER

Signs that the increase in South Africa output may be about to emerge with the latest production from the Chamber of Mines show that output was 1,867,530 ounces more than in the previous month.

At the end of 1976, beginning of this year I were afflicted by labour but this problem is now being resolved. Production five successive months March, when the dud arrested. But then output back again in April.

The total for May is the highest this year, only 4,414 ounces higher March. During the production price fell from \$148.57 to \$144.125 at the end of the price closed at \$139. But production so far is still lagging behind the first five months of the year. The total was 9,067,307 ounces against 9,207,577 ounces same period of 1976.

CROSBY SPRING INTERIORS LIMITED

| | 1977 | 1976 |
|--------------------|------------|------------|
| Sales | £7,221,394 | £5,221,394 |
| Pre Tax Profit | £589,482 | £300,000 |
| Capital & Reserve | £1,617,991 | £1,000,000 |
| Earnings per share | 2.63p | |
| Dividend per share | 0.5852p | 0 |

WHITBREAD AND COMPANY LIMITED

Extracts from the Statement for the year ended February 26, 1977, by the Chairman, Mr Alex Bennett.

"A successful year....our investment plan over the next two years amounts to some £116m which should certainly create increased employment.....but a high level of investment must be dependent on our being allowed to use our skills and enterprise to make good profits."



I am glad to be able to report that your Company had a successful year. In spite of this our profits over the last five years have still failed to keep pace with the rate of inflation over that period—profits were up 63%, whereas the Retail Price Index has risen by 88%. However, we have managed to reduce the gap this year.

TRADE AT HOME
In this country, we enjoyed the finest summer on record, which resulted in sales peaks in July and August, particularly of Heineken and Stella draught lagers and Whitbread Trophy Bitter, and also of canned beers, which were beyond all previous experience.

I should like to thank all our own people, particularly on the production and distribution side, for the way they worked unstintingly during those hectic months, and also our tenants, managers and free customers for the co-operation they showed us, and the marketing service they gave to a thirsty public.

Trading in the second half year was much more difficult. Trade generally deteriorated with the wet and cheerless winter, but, in addition to Trophy, Heineken and Stella, our Gold Label, English Ale and Whitbread Pale Ale continued to make good progress. R. White's soft drinks and Rawlings mixers had another successful year, and our wines and spirits operations performed better than the national average.

TRADE ABROAD
In its first full year with us Long John International made a considerably increased contribution to our profits, especially overseas, and this augurs well for further expansion in the future. This progress, together with our good profit recovery in Belgium, a fair start with brewing in New Zealand, our efforts with Mackesson in the Caribbean and in Nigeria, and increasing development of our Langenbach wines in the United States, have all added up to almost 8% of our trading profits coming from abroad. This is good progress towards the larger share that we want to see from overseas and from exports in the future.

| OUR RESULTS | 1977 | 1976 |
|--------------------------|---------|---------|
| Year to February | 1,000 | 1,000 |
| TURNOVER | 518,473 | 441,569 |
| PROFIT BEFORE TAX | 42,574 | 30,657 |
| TAX | 22,318 | 16,542 |
| PROFIT AFTER TAX | 20,256 | 14,115 |
| DIVIDENDS | 7,926 | 7,205 |
| RETAINED IN THE BUSINESS | 10,914 | 7,939 |
| EARNINGS PER SHARE | 8.79 | 6.08 |

PROFIT AND INVESTMENT

During the year, our investment amounted to £47m and our investment plan over the next two years amounts to some £116m, which should certainly create increased employment in industries which serve us. However, the Government has recently made what they term consultative proposals under the new Price Code which give arbitrary powers to freeze price applications for six months or more. If these proposals are pursued, they will destroy the confidence of industry yet again. We wish to make our contribution to the nation's economic recovery but a high level of investment must be dependent on our being allowed to use our skills and enterprise to make good profits. No wise business is going to stick its neck out on investment, faced with an open-ended Ministerial veto on prices.

We hear much vociferous comment from some quarters about industry making exorbitant profits. Five years ago, the average price of a drink sold by your Company was 15p, and the profit after tax on that sale was just under 1p. In the year under review, the average price of a drink sold was 29p and the profit after tax has risen to 1.02p. Where is the evidence of profiteering in such figures? On the contrary, they illustrate that, despite our efforts, margins have declined under the onslaught of inflation.

Our margins as a percentage on sales are lower now than they were five years ago. We are well below our allowable reference levels of profit under the Price Code. Our beer is cheaper, although more heavily taxed than in

almost every other country in Europe, yet the Government has decided to refer our prices for investigation by the Price Commission, the very body that has screened and approved all our price applications over the last two years.

Another point, which may not be generally remembered, is that the Chancellor of the Exchequer was responsible for the larger part of the rise in the price of beer during our financial year.

PRODUCTION AND DISTRIBUTION

The continuing increase in the demand for lager has called for further expansion of our breweries at Samsbury and Luton. In addition, the construction of the new brewery at Magor, in South Wales, has now started. It is scheduled to commence operation at the end of next year, and will primarily produce lager.

Demand for canned beers has been increasing and in order to meet this, we have installed a second canning line at Samsbury, which will go into production to meet the peak summer sales this year.

CHISWELL STREET

Since my last Report, operations have continued to prepare the whole Chiswell Street site for redevelopment. Substantial progress has been made, and the southernmost part of the site has been cleared to enable construction work to start in that area. We hope to make a final decision about the development within the next month or two.

THE FUTURE

High unemployment and a reduced standard of living are not the most favourable economic conditions for any industry, nor can we really expect a third good summer. Nevertheless, when times are hard people often return to the simple relaxation they can still enjoy at a reasonable price: the pint in the pub or at home. Therefore, I still believe your Company with the strength and quality of our brands and of our management team, and with the sense of purpose we have running night through the business, will give a good account of itself in the year ahead.

World Value of the Pound

The table below gives the latest available rates of exchange for the pound against various currencies on June 20, 1977. In some cases the market rates are shown, in others the rates of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of other currencies to which they are tied. Exchange in the U.K. and most of the countries listed is officially controlled and the rates shown should not be taken as being applicable to any particular transaction without reference to an authorised dealer.

Abbreviations: (S) member of the sterling area other than Scheduled Territory; (K) Scheduled Territory; (o) official rate; (F) free rate; (T) tourist rate; (N.C.) non-commercial rate; (A.) approximate rate; (B.) approximate rate; (S.) selling rate; (B.) buying rate; (nom.) nominal; (ex/C) exchange certificate rate; (P) based on U.S. dollar parities and going sterling dollar rate; (Bk) bankers' rate; (Bas) basic rate; (cm) commercial rate; (cn) convertible rate; (fn) financial rate.

Sharp fluctuations have been seen lately in the foreign exchange market. Rates in the table below are not in all cases closing rates on the dates shown.

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Sharp fluctuations have been seen lately in the foreign exchange market. Rates in the table below are not in all cases closing rates on the dates shown.

| Area and Local Unit | Value of £ Sterling | Area and Local Unit | Value of £ Sterling | Area and Local Unit | Value of £ Sterling |
|--|---------------------|------------------------------------|---------------------|-----------------------------------|---------------------|
| Algeria (D) Algerian franc | 236.9001 | Germany (D) Deutsche Mark | 4.0534 | Paraguay (G) Guaraní | 214.56 |
| Argentina (A) Argentine peso | 101.10(A) | Ghana (S) Cedi | 1.57 | Peru (S) Nuevo Sol | 100.0000 |
| Australia (S) Australian dollar | 1.5612 | Greece (S) Dracma | 34.0750 | Philippines (P) Philippine peso | 19.3600 |
| Belgium (S) Belgian franc | 36.3633 | Greenland (S) Danish Kroner | 16.54 | Poland (S) Zloty | 2.0000 |
| Canada (S) Canadian dollar | 1.3146 | Guatemala (S) Quetzal | 2.0000 | Portugal (S) Escudo | 200.4800 |
| Chile (S) Chilean peso | 527.70 | Honduras (S) Lempira | 5.0000 | Romania (S) Lei | 16.6667 |
| Colombia (S) Colombian peso | 1.7188 | India (S) Rupee | 47.5562 | Saudi Arabia (S) Saudi riyal | 2.0000 |
| Cuba (S) Cuban peso | 24.0000 | Indonesia (S) Rupiah | 1.7188 | Senegal (S) CFA franc | 200.0000 |
| Czechoslovakia (S) Czechoslovak koruna | 138.0000 | Italy (S) Lira | 2.0000 | Sierra Leone (S) Leone | 2.0000 |
| Denmark (S) Danish Kroner | 136.75 | Japan (S) Yen | 360.0000 | Singapore (S) Singapore dollar | 1.0000 |
| Egypt (S) Egyptian pound | 1.0000 | Korea (S) Won | 100.0000 | Sri Lanka (S) Sri Lanka rupee | 20.0000 |
| France (S) French franc | 6.5596 | Malaysia (S) Ringgit | 4.0000 | Taiwan (S) New Taiwan dollar | 20.0000 |
| West Germany (S) Deutsche Mark | 4.0534 | Mexico (S) Mexican peso | 16.6667 | Thailand (S) Thai baht | 50.0000 |
| Ghana (S) Cedi | 1.57 | Netherlands (S) Guilder | 2.0000 | Tanzania (S) Tanzanian shilling | 20.0000 |
| Greece (S) Dracma | 34.0750 | New Zealand (S) New Zealand dollar | 1.0000 | Togo (S) CFA franc | 200.0000 |
| Greenland (S) Danish Kroner | 16.54 | Norway (S) Krone | 4.7560 | Tunisia (S) Tunisian dinar | 10.0000 |
| Guatemala (S) Quetzal | 2.0000 | Pakistan (S) Pakistani rupee | 10.0000 | Turkey (S) Turkish Lira | 20.0000 |
| Honduras (S) Lempira | 5.0000 | Panama (S) Balboa | 1.0000 | Turkmenistan (S) Turkmenian manat | 20.0000 |
| India (S) Rupee | 47.5562 | Paraguay (G) Guaraní | 214.56 | Uganda (S) Ugandan shilling | 20.0000 |
| Indonesia (S) Rupiah | 1.7188 | Peru (S) Nuevo Sol | 100.0000 | United States (S) U.S. dollar | 1.0000 |
| Italy (S) Lira | 2.0000 | Philippines (P) Philippine peso | 19.3600 | Uruguay (S) Uruguayan peso | 100.0000 |
| Japan (S) Yen | 360.0000 | Poland (S) Zloty | 2.0000 | Venezuela (S) Bolívar | 200.0000 |
| Korea (S) Won | 100.0000 | Portugal (S) Escudo | 200.4800 | Vietnam (S) Vietnamese dong | 20.0000 |
| Malaysia (S) Ringgit | 4.0000 | Romania (S) Lei | 16.6667 | Yemen (S) Yemeni rial | 20.0000 |
| Mexico (S) Mexican peso | 16.6667 | Saudi Arabia (S) Saudi riyal | 2.0000 | Zambia (S) Kwacha | 1.0000 |
| Netherlands (S) Guilder | 2.0000 | Senegal (S) CFA franc | 200.0000 | | |
| New Zealand (S) New Zealand dollar | 1.0000 | Sierra Leone (S) Leone | 2.0000 | | |
| Norway (S) Krone | 4.7560 | Singapore (S) Singapore dollar | 1.0000 | | |
| Pakistan (S) Pakistani rupee | 10.0000 | Sri Lanka (S) Sri Lanka rupee | 20.0000 | | |
| Panama (S) Balboa | 1.0000 | Taiwan (S) New Taiwan dollar | 20.0000 | | |
| Paraguay (G) Guaraní | 214.56 | Thailand (S) Thai baht | 50.0000 | | |
| Peru (S) Nuevo Sol | 100.0000 | Tanzania (S) Tanzanian shilling | 20.0000 | | |
| Philippines (P) Philippine peso | 19.3600 | Togo (S) CFA franc | 200.0000 | | |
| Poland (S) Zloty | 2.0000 | Tunisia (S) Tunisian dinar | 10.0000 | | |
| Portugal (S) Escudo | 200.4800 | Turkey (S) Turkish Lira | 20.0000 | | |
| Romania (S) Lei | 16.6667 | Turkmenistan (S) Turkmenian manat | 20.0000 | | |
| Saudi Arabia (S) Saudi riyal | 2.0000 | Uganda (S) Ugandan shilling | 20.0000 | | |
| Senegal (S) CFA franc | 200.0000 | United States (S) U.S. dollar | 1.0000 | | |
| Sierra Leone (S) Leone | 2.0000 | Uruguay (S) Uruguayan peso | 100.0000 | | |
| Singapore (S) Singapore dollar | 1.0000 | Venezuela (S) Bolívar | 200.0000 | | |
| Sri Lanka (S) Sri Lanka rupee | 20.0000 | Vietnam (S) Vietnamese dong | 20.0000 | | |
| Taiwan (S) New Taiwan dollar | 20.0000 | Yemen (S) Yemeni rial | 20.0000 | | |
| Thailand (S) Thai baht | 50.0000 | Zambia (S) Kwacha | 1.0000 | | |
| Tanzania (S) Tanzanian shilling | 20.0000 | | | | |
| Togo (S) CFA franc | 200.0000 | | | | |
| Tunisia (S) Tunisian dinar | 10.0000 | | | | |
| Turkey (S) Turkish Lira | 20.0000 | | | | |
| Turkmenistan (S) Turkmenian manat | 20.0000 | | | | |
| Uganda (S) Ugandan shilling | 20.0000 | | | | |
| United States (S) U.S. dollar | 1.0000 | | | | |
| Uruguay (S) Uruguayan peso | 100.0000 | | | | |
| Venezuela (S) Bolívar | 200.0000 | | | | |
| Vietnam (S) Vietnamese dong | 20.0000 | | | | |
| Yemen (S) Yemeni rial | 20.0000 | | | | |
| Zambia (S) Kwacha | 1.0000 | | | | |

That part of the French community in Africa formerly part of French West Africa or French Equatorial Africa. Rates per cent. Tourists visiting Sri Lanka receive a premium of 5 cents per cent.

The Omani has replaced the CFA franc. The exchange was made at a rate of CFA Frs.5 to one Omani rial, the new currency.

General rates of oil and iron exports 1.25%.

The Moroccan riyal has lately been replaced to stand at an official commercial rate of 2.22 Moroccan riyals to the North Vietnamese dong at 2.00 riyals and the North Vietnamese dong at 2.00 riyals and the North Vietnamese dong at 2.00 riyals.

North Korean won at 0.7000 riyals. With the pound standing at 1.50 riyals the following rates could be calculated for the pound: £=1.50 riyals, £=1.50 riyals.

Rate is based on 2 riyals to the dollar.

Two-tier system introduced April 25. Rate for exports, non-essential imports and tourism. Rate for essential imports 1.50/77.

FILM AND VIDEO BY JOHN CHITTOCK

So many cooks

THE BRITISH fair for setting up committees and inquiries to deal with national problems has led to adequate attention over the years to the film, television and audio-visual needs of the country. We have recently had the Annual Inquiry into the Future of Broadcasting, Whitford on copyright, Terry on the film industry; and over the last 10 years a succession of others, such as Lloyd on the National Film School, Brynmor Jones on audio-visual aids, the Television Advisory Committee on technical developments, a departmental inquiry into the film in scientific research, and others.

Mostly, the reports that have emerged have been well researched, reasonably argued and sensible in their proposals. But thereafter, the odds are against the proposals ever being adopted.

A preoccupation of this column over the last 14 years has been the chaotic way in which the film, television and audio-visual media are served at a national level. There are over 80 national associations, institutes and the like separately beavering away at some aspect of the audio-visual media—such as the well-known British Industrial and Scientific Film Association, the confusingly similar Scientific Film Association and the typically specialised National Educational Closed Circuit Television Association.

The Brynmor Jones report went a long way to recognising the need for national co-ordination, albeit within the limitation of an extraordinarily restrictive brief—namely audio-visual aids in higher scientific education. The main proposal of Brynmor Jones, never adopted, was the establishment of a National Centre for Audio-Visual Aids.

The need today, 12 years later, is even more desperate. Activity is now extensive and complex and all branches of the media now have some tenuous or potential interest in the affairs of each other. At a practical level, industrialists, educationalists, politicians, civil servants, advertisers, scientists and many more still have no single place to go to for information, guidance or responsible action in regard to the affairs of film, television and audio-visual aids. Even more seriously, no single body exists with the brief, resources and will to identify national needs and initiate appropriate action.

PORTSMOUTH AND SUNDERLAND NEWSPAPERS, LIMITED

EXTRACTS FROM THE HON. RICHARD STOREY'S STATEMENT

Company's Profit:

"Considering the handicap of the inevitably poor trading results in Sunderland, this year's profit may be considered satisfactory. Once it has been possible to resolve the problems with some of the staff and machinery in Sunderland, the Company should be in a position to benefit further from its considerable investment over the last decade."

New Premises in Sunderland:

"The first year of production of the Echo, Sunderland, in new buildings and with new equipment has been a difficult one for all concerned. Much of the composing equipment has functioned inadequately, the public has taken time to become familiar with the new look of the newspaper, and some of the staff have still not adapted to the new conditions. These problems are similar to those which the Company had a few years ago in Portsmouth and I am confident that the new Echo office will become, when the new methods are fully operative and accepted, as successful as The News Centre."

New Equipment for Portsmouth:

"Negotiations have continued for the introduction of new composing and allied equipment for The News Centre, Portsmouth, and some has been installed. An agreement to use the latest technology as effectively in this country as elsewhere in the world is now being sought, albeit very belatedly from the trade unions by The Newspaper Society. Should such negotiations not succeed, the Company will continue them independently."

"Hitherto the Company has always been able to take advantage of the most modern equipment and methods in order to provide the public with as good and as cheap a service as possible. It would be most regrettable were this record to be broken now. Moreover, the introduction of modern composing equipment and high quality presses at The News Centre ten years ago has gradually increased the printing of publications, many of which previously did not exist, for customers under contract, and this has contributed not only to an increase in production staff but also to the payment of above average salaries to such staff. I hope that, by using properly the best technology available, production and training is in fact a subject well-researched by another of those 80 organisations—the Council for Educational Technology, one fortunate recipient of government funds and the only tangible result of enquiries to the foundation, and it regularly runs training courses for industry including tailor-made courses."

One of the unique assets of the EFVA is its expertise in equipment in London that provides each year for 700 overseas visitors each year that Britain is a poor nation) the EFVA maintains the country's only permanent display of a-7 media. It is thus possible for an industrial or educational user—even a BFI servant, advertiser, scientist and many more still have no single place to go to for information, guidance or responsible action in regard to the affairs of film, television and audio-visual aids. Even more seriously, no single body exists with the brief, resources and will to identify national needs and initiate appropriate action.

MONEY MARKET

Adequate credit supply

Bank of England Minimum Lending Rate 8 per cent. (since May 13, 1977)

Day-to-day credit appeared in adequate supply in the London money market yesterday and the authorities were not required to intervene. With very quiet conditions throughout, the market was helped by bank balances being up over the week-end. On the other hand there was a slight net take up of Treasury bills and a small excess of revenue transfers to the Exchequer over Government disbursements; in addition there was some settlement of gilt-edged securities sold on Friday.

Discount houses paid around 7 per cent for secured call loans at the start, before the latter eased to 6-62 per cent by the close, although rates up to 7 per cent were seen in places.

The interbank market overnight loans commanded 6-7 per cent in the early part but most of the day's business was done at 6 per cent and this level was maintained until towards the end when closing balances were taken up to 8 per cent. Elsewhere, fixed period interest rates showed very little movement.

Rates in the table below are nominal in some cases.

| June 20 1977 | Sterling Certificates of deposits | Interbank | Local Authority deposits* | Local Authority deposits* | Finance House deposits | Company deposits | Discount deposits | Treasury bills | Right to Buy Bills | Five Year Bills |
|---------------|-----------------------------------|-----------|---------------------------|---------------------------|------------------------|------------------|-------------------|----------------|--------------------|-----------------|
| Overnight | 6-5-8 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| 2 days notice | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| 7 days notice | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| One month | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| Three months | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| Six months | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| Nine months | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |
| One year | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 | 6-7-7 |

Local authorities and finance houses seven days notice, others seven days fixed. * Longer-term local authority mortgages rates nominally three years 12-12 per cent, four years 12-12 per cent, five years 12-12 per cent. † See bill rates in table art. buying rate for prime paper. Basis rate for one-month bank bills 7-7 per cent, four-month bank bills 8-4 per cent.

Approximate selling rate for one-month Treasury bills 7-7 per cent, two-month 7-7 per cent, three-month 7-7 per cent, six-month 7-7 per cent, one-year 7-7 per cent. ‡ See bill rates in table art. buying rate for prime paper. Basis rate for one-month bank bills 7-7 per cent, four-month bank bills 8-4 per cent, six-month 8-4 per cent, nine-month 8-4 per cent, one-year 8-4 per cent. § See bill rates in table art. buying rate for prime paper. Basis rate for one-month bank bills 7-7 per cent, four-month bank bills 8-4 per cent, six-month 8-4 per cent, nine-month 8-4 per cent, one-year 8-4 per cent.

Productivity:

"In the Company, generally, the endeavour of the staff has been wholly admirable although there have again been some local disruptions called to serve trade unions' national requirements. While such aims are seldom achieved by such disruptions, the latter are to be deplored for the way in which they cause financial loss and staff friction in the Company which strives hard to avoid and cannot afford either."

News Shops:

"I am very pleased to be able to report that News Shops has produced a small profit this year compared to a small but significant loss last year. The experience and expertise is now available so that, if its present trend can be maintained, this subsidiary should become a profitable operation once it has the number of high quality shops it needs."

Staff Involvement:

"Consideration is being given to ways of increasing staff participation in the work of the Company. 'Briefing Groups,' as advocated by the Industrial Society, have been introduced to improve communications. The Board is concerned to ensure proper involvement throughout the Company rather than to introduce any new structure without the foundation upon which it could rest."

R & A G CROSSLAND LIMITED

| Results in brief | 1976 | 1975 |
|--------------------|-----------|-----------|
| Group Turnover | 4,098,470 | 3,450,871 |
| Profit Before Tax | 533,644 | 452,522 |
| Dividends Paid | 98,400 | 89,484 |
| Earnings per share | 3.18p | 2.65p |

* The results and continued progress of the Company reflect a commendable achievement under difficult conditions.

"The benefits of the recent and current capital expenditure on plant and buildings should be felt in the future and I look forward to another satisfactory year."

P. W. Reynolds, Chairman.

ACTIVITIES—Manufacturers of and specialists in industrial and commercial light fittings, metal pressings and assemblies, plastic mouldings, sanitary fittings and tube manipulation.

Thomas Cook Bankers

Thomas Cook Travellers Cheques The accepted name for money. Worldwide.

Jawson International Limited

Dawson International Limited is a Scottish based international group of companies engaged in the manufacture and marketing of knitwear and clothing, and the processing, spinning and dyeing of cashmere, wool, camelhair and other fibres.

| Summary of Results | 1977 | 1976 |
|--|--------|--------|
| Sales | 67,262 | 43,819 |
| Profit before Taxation and Extraordinary Items | 10,374 | 2,858 |
| Profit attributable to equity | 5,096 | 1,399 |
| Earnings per share | 25.1p | 7.0p |
| Dividends per share | 3.3p | 3.0p |
| Funds attributable to equity | 15,683 | 11,308 |

- Sales and profits the best ever with exports up 56%.
- Balance Sheet greatly strengthened — high degree of liquidity.
- Capital investment authorisations in 1977/8 at record level.
- Current year has started well.

Pringle Ballantyne BRAEMAR barrie GREENMAG

J. & R. HENDERSON

Copies of the Annual Report containing the Statement by the Chairman, Mr. Alan Smith C.B.E., will be posted to shareholders on 27 June 1977 and can be obtained after this date from The Secretary, Dawson International Limited, Kinross, Scotland.

1976 profits trebled, earnings per share doubled

| Group results for year ended 26th March 1977 | 1977 | Change | 1976 |
|--|--------|--------|-------|
| Sales | 9,334 | +127% | 4,114 |
| Pre-tax profit | 821 | +152% | 328 |
| Profit after tax | 545 | +220% | 170 |
| Earnings per share | 14.65p | +107% | 7.08p |
| Dividend per share | 4.02p | +50% | 2.68p |

G. Ferguson Lacey, Chairman

William Reed and Sons, Limited Textile Group

WALL STREET OVERSEAS MARKETS + FOREIGN EXCHANGES

Rate 3.8 rise on interest rate hopes

Sterling quiet

BY OUR WALL STREET CORRESPONDENT

NEW YORK, June 20.

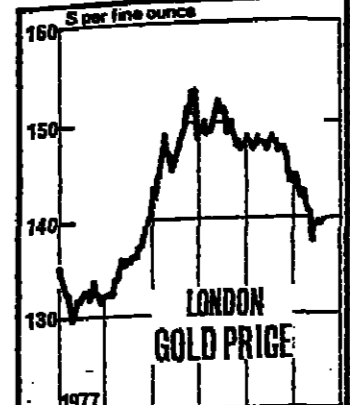
Sterling maintained its recent steady position in yesterday's foreign exchange market...

LATE GAINS were scored on moved up \$1 1/2 to \$88 1/2, J. Ray Wall Street today after several months of indecision...

Public Bonds were mixed to mostly weaker, while the Regulator's Authorities sold a net \$1.5 million nominal...

Pharmaceuticals and Foods and some segments of Printings gave ground. Pioneer Electronic fell \$30 to \$17.50...

But Sony rose \$20 to \$2,610 ahead of its consolidated results. Signs of calmness on the interest rate front failed to aid sentiment...



OTHER MARKETS

Canada moves up

Canadian Stock Markets also moved up in late trading yesterday. The Metals and Minerals Index rose 3.8 to 1068.1...

AMSTERDAM

Narrowly mixed in fair trading. Banks firm. In Insurances, Nationale-Nederlanden gained...

VIENNA

Generally steady in light trading. JOHANNESBURG-Gold shares continued quietly steady in a featureless market...

SPECIAL DRAWING RIGHTS RATES

Table with columns for Country, June 20, and June 17. Includes entries for Belgium, France, Germany, Italy, etc.

FOREIGN EXCHANGES

Table with columns for Bank, Buy, and Sell. Lists various banks and their exchange rates for different currencies.

Indices

NEW YORK-DOW JONES

Table showing Dow Jones index values for June 17, 18, 19, 20, and 21. Includes High and Low values.

Y S. E. ALL COMMON

Table showing Y S. E. All Common index values for June 17, 18, 19, 20, and 21. Includes High and Low values.

MONDAY'S ACTIVE STOCKS

Table listing active stocks on Monday, including Copper Laboratories, Columbia Pictures, and others.

EXCHANGE CROSS-RATES

Table showing exchange cross-rates for various currencies including Frankfurt, New York, Paris, Brussels, London, Amsterdam, Zurich, etc.

OTHER MARKETS

Table listing other markets including Argentina, Australia, Brazil, Canada, etc.

STANDARD AND POORS

Table showing Standard and Poors index values for June 17, 18, 19, 20, and 21. Includes High and Low values.

MONTEREAL

Table showing Montreal stock market values for June 17, 18, 19, 20, and 21.

TORONTO

Table showing Toronto stock market values for June 17, 18, 19, 20, and 21.

EURO-CURRENCY INTEREST RATES

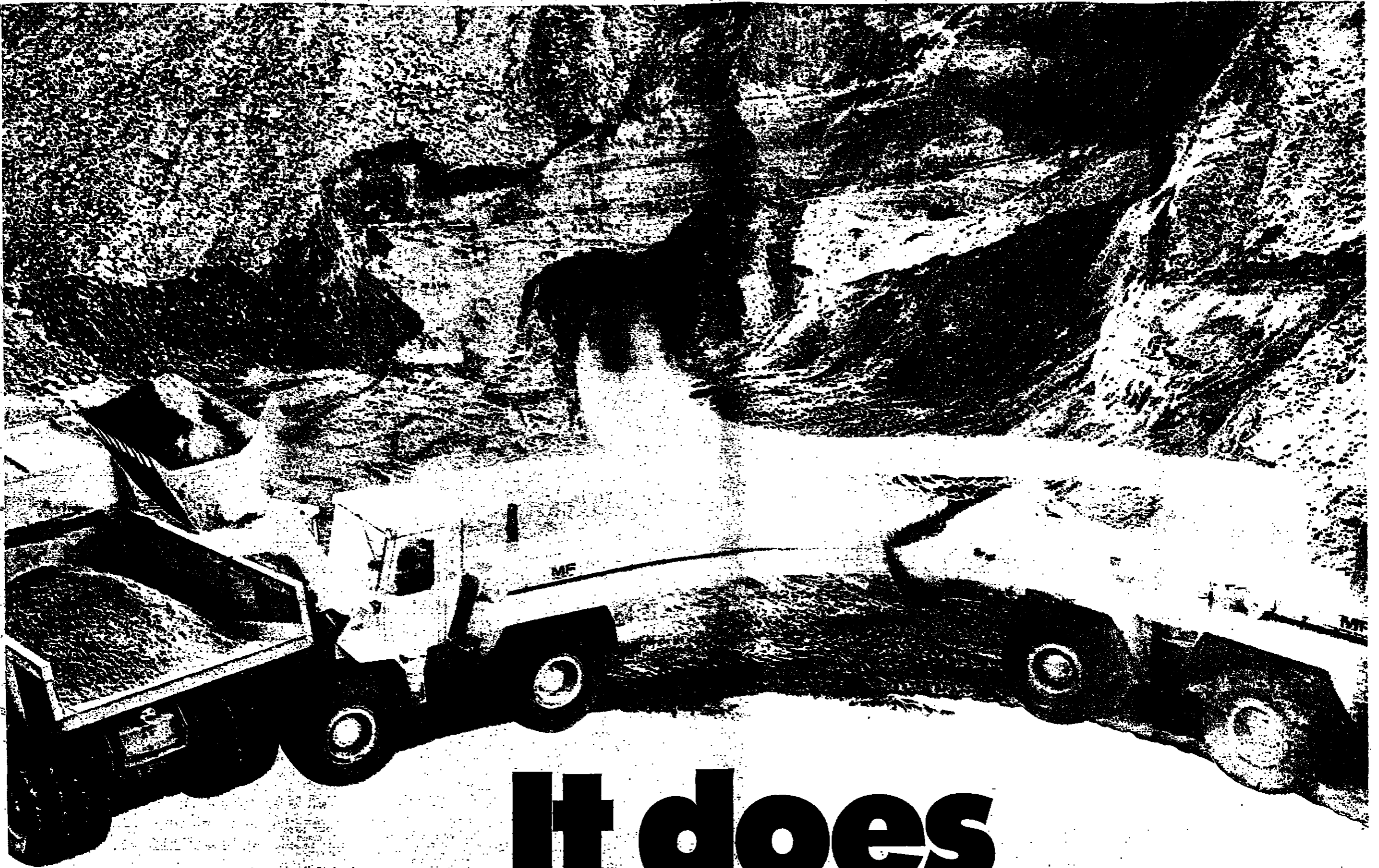
Table showing Euro-currency interest rates for various currencies and terms.

FORWARD RATES

Table showing forward rates for various currencies and terms.

OVERSEAS SHARE INFORMATION

Large table containing overseas share information for various countries including New York, Canada, Amsterdam, Tokyo, Australia, Oslo, Brussels/Luxembourg, Paris, Switzerland, Milan, and Vienna. Lists stock names, prices, and changes.



It does 25 hours work every day.

The proved efficiency and short cycle time you get with the Massey-Ferguson MF 55C mean that you can pack more working hours into every day.

The superior breakout force of the MF 55C combined with its fast digging and dumping capability, makes it easy to understand why we're a world leader in the industrial and construction machinery business.

The MF 55C is one of a complete range of nine wheel loaders.

They, in turn, form just part of our comprehensive range of more than 40 industrial and construction machines.

With such technically advanced products, backed by long-established servicing and distribution in 190 countries, it's small wonder our industrial and construction machinery business has grown 60 per cent in the last two years.

At the end of the day, it all adds up to one thing. When you have a tough job that needs to be tackled efficiently, you must consider Massey-Ferguson.

MF
Massey Ferguson

INTERNATIONAL FINANCIAL AND COMPANY NEWS

Record \$500m. Euroloan for Brazilian steel

BY HUGH O'SHAUGHNESSY

ACOMINAS, the new steel company in the Brazilian state of Minas Gerais, yesterday signed an agreement for a loan totalling the equivalent of \$500m. with a group of banks co-ordinated by Morgan Grenfell.

The loan assures orders worth a minimum of £150m. for the two principal British contractors, Davy Loewy and Woodall Duckham, which are supplying the largest share of the imported capital equipment. It is said to be the largest Eurocurrency loan extended to Brazil and the tenth largest Euroloan ever.

The total foreign financing for the works—which is planned to be producing 2m. tonnes of steel in 1988—should amount to \$1.1bn.

FOREIGN BANKS IN JAPAN

Shadow of double taxation

BY DOUGLAS RAMSEY, IN TOKYO

JAPANESE tax authorities have informed foreign banks in Tokyo that they will no longer be freely allowed to charge for tax purposes their costs of securing funds outside Japan.

The decision, apparently taken with Finance Ministry approval, would set off a new row between Tokyo and European and American banks over the implied threat of double taxation on some of the bank's earnings from inter-bank transfers.

In particular, the decision could oblige the U.K. inland revenue to modify its definition of taxable earnings on branch income of British banks operating in Japan. Banking sources in Japan say that representatives of U.K. clearing banks have met in the last few days to co-ordinate their view of the new controls, but no decision has yet been reached on whether to ask the U.K. Government to make a formal protest against the new regulations.

The matter was shelved until early this spring when the tax administration in Tokyo began to inform first the American and then the European banks that it would from now on "allow" costs of foreign finance only up to a variable ceiling. That ceiling has been pegged at the daily Reuters closing for the London interbank market.

The tax authorities here view the same as a way of plugging loopholes which would normally let foreign banks charge high rates of interest to their Tokyo branches for providing in-house finance, and thus escape some Japanese taxes. British bankers insist, however, that the tax administration already has the power to disallow any costs of financing which are deemed to be abnormally higher than the going market rates for securing overseas funds, so the new regulations are unnecessary.

that the double taxation treaty between Japan and the U.K. specifically states that provisions of finance to a branch in Japan will be considered on an "arm's length" basis, that is, that a bank is considered to lend funds to its branch as if it were a third party.

As such, the cost of finance to Tokyo branches is fixed at commercial rates as far as inland revenue is concerned. But by only allowing an arbitrary (albeit Reuters closing) rate regardless of the real commercial cost of finance, the Tokyo tax authorities are effectively saying that branches cannot be considered third parties.

As a result, any portion of funds provided to the branch at a commercial rate higher than the Reuters closing would be subject to Japanese taxation at the same time as the parent is taxed by inland revenue for its profits on the loan of those funds. Its branch—an instance of double taxation which the U.K.

Japan treaty is supposed to avoid.

British bankers are not too worried about the short-term implications of the Japanese decision, because they generally feel that they can contain their losses on "the swings and roundabouts of the Reuters rate."

But taking the longer view, one bank manager said today that the Japanese decision would make funding impossible for British banks in the event, say, of "British" rate on interbank lending which would put British banks' cost of borrowing well above the market norm reflected in the Reuters closing rate.

Merrill increases lending capacity

By Mary Campbell

MERRILL LYNCH National Bank has announced its lending capacity as a result of a reorganisation of the Merrill Lynch operation in Panama. From now on it will be two big commercial banking operations: Merrill Lynch group with capacity to lend up to any single borrower development results from the group's standing presence in Panama into a full fledged operation.

At the same time group has announced that Warren Hutchins, head of London commercial since it was established in 1956, will make a return to New York. He will be replaced by Harry E. Martin who was president of the London based Chase Manhattan of Western New York 1972 but had considerable experience of international finance both with a subsidiary in Argentina and the U.S. Agency for national development.

The whole of the lending capacity of Merrill Lynch commercial banking group is concentrated in the operations although it covers virtually all of the group's operations. A spokesman for Merrill Lynch said yesterday that the group's operations in London are for the expansion of the bank's capital.

AMERICAN NEWS

A & P to restore dividend

BY JUREK MARTIN

THE GREAT Atlantic and Pacific Tea Company (A and P) is to make its first payment on dividends in nearly three years.

The payment—of five cents per share to stockholders of record of July 5—is modest and reflects the company's realisation that it will take time for the once great supermarket chain, now in the throes of a major retrenchment programme, to turn itself around.

The dividend payment, announced to surprised shareholders in Chicago last Friday, was made possible under the terms of A and P's agreement with its bankers. This stipulates that dividend payments could only be made after the company had reported four successive quarterly profits.

Mr. Jonathan Scott, A and P's chairman, told the shareholders' meeting that in its first quarter, which ended May 26, the company expected to have earned a profit of about \$6.6m., or 27 cents a share, some 5 per cent. more than in the same period of the previous financial year.

In its last fiscal year, ending in February, A and P earned \$23.8m., or 96 cents per share. But this included a \$10m. tax credit which masked a disappointing fourth quarter when earnings fell by 37 per cent. In the same fourth quarter, A and P's principal competitor, Safeway, showed a 24 per cent. profit increase.

Fed. report on placements

A STAFF report by the Federal Reserve Board favours allowing commercial banks to make private placements of securities, reports Reuter from Washington.

The report said it has not found any significant legal or public policy problems, and there in fact could be appreciable public benefits accruing from such a move.

The study was made at the request of House Banking Committee Chairman at the end of last year and found that commercial banks last year accounted for 11 per cent of total private placements of \$1.3bn.

Du Pont merger clearance

DU PONT COMPANY said a decision of the U.S. Supreme Court has cleared the way for the merger of Du Pont with Christiana Securities company, Reuter reports from Wilmington, Delaware.

The High Court reversed an Appeals Court decision and said the Securities and Exchange Commission had acted properly in approving the merger.

Du Pont said the merger should take a few months to complete and is subject to approval by stockholders.

Occidental to sell refinery

By John Wick

ZÜRICH, June 20. A LETTER of intent has been made out to Occidental Petroleum by a potential purchaser for the group's oil refinery in Antwerp. This was stated at a presentation in Zurich today by John J. Dorgan, Occidental's executive vice-president of finance.

The Antwerp refinery, according to Mr. Dorgan, is a money losing operation for the group. Depressed refined-product prices in North-Western Europe, he said, have remained below the cost of crude oil, transportation and refining.

With regard to the group's plan to build a refinery on Canary Island in the Thames Estuary, Dorgan disclosed that Occidental has now made an application to upgrade the operation of this plant by the addition of catalytic cracking facilities. The refinery, designed to handle a broad spectrum of operations, will process North Sea oil among other feedstocks.

Occidental, which is participating in the North Sea oil fields of Piper and Claymore and was recently granted a new exploration block adjacent to Claymore, will pay off a loan raised for the Piper development "much more quickly than we or the bankers expected," said Dorgan.

The whole \$150m. would be paid off by the end of 1981. This meant that the concern's total debt repayment this year would be of some \$250m. rather than a more normal level of \$80-90m.

JAPANESE COMPANIES Video sales boost Sony profit

BY DOUGLAS RAMSEY

TOKYO, June 20.

BUOYED BY A 20 per cent rise in overseas sales and an especially brisk market for its Betamax Video Tape Recorders, the Sony Corporation announced record net sales and net profits for the first half of Fiscal 1977 ending April 30.

Consolidated sales rose 11.3 per cent to \$901m. in the six months, with the increase about evenly spread between the first and second quarters. Domestic Japanese sales, however, actually declined slightly over the full period despite the company's 5.2 per cent rise in home sales in the second quarter.

Overseas sales, however, stayed firmly ahead of the domestic market rising 16 per cent in the second quarter and a full 20.4 per cent over the whole first half.

Last week Sony released its parent company's results which included a 33.5 per cent increase in exports for the first half, clearly a large component of Sony's total overseas sales. Parent company exports account for over 75 per cent of Sony's consolidated overseas sales.

Net income of \$75.8m. on a consolidated basis was up 40.7 per cent and more than half of this accrued in the first quarter.

As a result, Sony was able to post a large increase in earnings per American Depository Share (ADS) from 25 cents a year ago to 35 cents for the first half of fiscal 1977.

Surprisingly, Sony's biggest sales gains were not from television sets, tape recorders or

radios although these three products still account for 34 per cent of Sony's total sales. Instead, the biggest single increase in sales was on Video Tape Recorders (VTR's) which went up from \$78.4m. in the first half of fiscal 1976 to \$117.5m. in the half just ended—an increase of 50.5 per cent.

As a result, any portion of funds provided to the branch at a commercial rate higher than the Reuters closing would be subject to Japanese taxation at the same time as the parent is taxed by inland revenue for its profits on the loan of those funds. Its branch—an instance of double taxation which the U.K.

Makita Elec. profits up

By Donald Maclean

MAKITA ELECTRIC Works, Japan's largest power tool manufacturer, has reported a rise of 23.3 per cent in net income for the year to February 29, to ¥4,459m., from ¥3,470m. in the previous year.

Net sales were up 37.3 per cent, by ¥8,280m. to ¥28,570m., with exports which rose 37.5 per cent to ¥1,318m., accounting for ¥3,420m. of the gain.

The major regions to which exports went were, in order of growth rate, North and South America, Europe, South East Asia and Australia and New Zealand.

Earnings per common share of Continental depository receipt were ¥100.8. Earnings per American depository share (1

THE LILLESHELL GROUP Preliminary Announcement

Table with 3 columns: Item, 1976, 1975. Rows include Turnover, Profit before Tax, Profit after Tax, Extraordinary (Loss)/Profit, Net (Loss)/Profit, Retained (Deficit)/Surplus, Ordinary Dividends Interim, Final, Earnings per 10p ordinary share.

Subject to the confirmation of the Shareholders at the Annual General Meeting to be held on 21st July 1977 the final dividend will be payable on 22nd July 1977 to holders of ordinary Stock registered on 8th July 1977. The Report and Accounts containing the Chairman's Review will be posted to Shareholders on 24th June, 1977.

The marked fall in profit before tax is chiefly due to a loss of £295,568 incurred in the Housing division. In addition all known costs of closing this division are included under extraordinary losses. Local Authority contracts were taken at highly competitive prices and construction rates were too slow. Some contracts have been assigned and, having transferred the remaining commitments other than two Local Authority Contracts to the Parent Company, the equity of Lilleshall Homes Limited has been sold to Clonrange Limited.

Stockholding and Steel Rolling have made an improved contribution to Group profit despite the slump in the Steel industry. The first stage of the Mill modernisation programme will be completed shortly. The Shetland Group of Companies purchased in July 1976 is doing well and this business is being expanded in the large Structural Steel buildings.

During the first quarter of 1977 the Group has traded profitably. Given suitable trading conditions this trend should continue.

Allan R. Pike, Chairman

THE LILLESHELL COMPANY LIMITED ST. GEORGE'S, TELFORD, SHROPSHIRE TF2 9BQ

GOSALT logo and company name

Ships chandlery, refrigeration and air conditioning, caravan manufacturing and finance.

Summary of Results 1976. Turnover £17,750,000 up 46%, Exports £5,119,000 up 59%, Pre-tax Profits £1,253,000 up 125%, Earnings per share 13.27p up 180%, Gross dividend per share 4.23p up 10%, Assets per share 53p up 20%.

- Highlights from Statement by John M. T. Ross, M.A., F.C.A., Chairman, at 104th Annual General Meeting, 20th June 1977. Exports—29% of turnover and rising. Ships Chandlery—Good demand from both Fishing and North Sea Oil industries. Caravans—Further progress expected in 1977. Refrigeration and Air Conditioning—Every sign of further advance in sales and profits. Dividend—Increased for sixth year in succession. Prospects—Good, pre-tax profit for six months to June should exceed £1,000,000.

Copies of the Report and Accounts may be obtained from the Secretary, Gosalt Limited, Fish Dock Road, Grimsby, South Humberside, DN31 3HW.

EUROBONDS IU Overseas \$35m. offering

BY FRANCIS GHILES

IU OVERSEAS Finance, a U.S. company involved in ocean shipping, land transportation, distribution and utility services, as well as the agro-business is floating a \$35m. bond, due 1987 with an indicated coupon of 8 1/2 per cent.

Lead manager is Hambros Bank and final terms are expected next week. This is the second bond issued by the company which has been on the U.S. bond market since last autumn. The group's consolidated turnover in 1976 was \$1,950m. and net profit after tax \$42.4m.

Den Danske Provinsbank.

formed as a result of the merger of eleven provincial commercial banks in Denmark and is today the sixth largest in Denmark, is raising \$25m. Maturity of the notes is five years and the coupon is expected to be 8 1/2 per cent. Lead manager is S. G. Warburg. Otherwise the U.S. dollar market was steady yesterday and basically unchanged in quiet trading. DM market was dull to start with but by the end of the day prices had moved up across the board by a quarter to half a point. Nikkei was trading at 100 1/2 to 100 1/4 while DAX was quoted at 984-983.

Reuters reports from New York that Austria has filed a rose sharply.

registration statement with the Securities and Exchange Commission for an offering in the U.S. of \$100m. in seven-year bonds due 1984 and \$50m. of 15-year bonds due 1992.

The offering will be underwritten by a consortium headed by Morgan Stanley, Kuhn Loeb and Creditanstalt Bankverein. Credit Commercial de France plans to borrow \$30m. through a floating rate Eurobond in the very near future, primary bond market sources said, according to Reuters reports from Paris.

The sources said the bank intended to borrow some weeks ago but postponed its offering when Eurodollar rates suddenly

SELECTED EURODOLLAR BOND PRICES MID-DAY INDICATIONS

Table of bond prices and yields for various countries and maturities.

Table of convertible bonds and their prices.

This announcement appears as a matter of record only

FORSMARKS KRAFTGRUPP AKTIEBOLAG U.S. \$60,000,000 Guaranteed Notes 1997. The Kingdom of Sweden acting through Statens Vattenfallsverk. HAMBROS BANK LIMITED PKBANKEN

INTERNATIONAL FINANCIAL AND COMPANY NEWS

ANGLO-TRANVAAL COLLIERIES

Battle over Witbank notes

BY RICHARD ROLFE IN JOHANNESBURG

OVER THE past two years, some of the best legal minds in South Africa have been applied to the question: when is a preference share not a preference share?

When this decision was published, the Old Mutual then lodged notice of appeal. This appeal was heard two weeks ago and upheld the ruling of the Supreme Court, dismissing the preference shareholders' appeal.

ATC's holding of 1,073,049 Witbank shares, the latter priced at 1.450c, is worth R15.6m. This is worth in turn 97.5c per ATC ordinary and 600c per ordinary and preference treating the preference as pari passu with the ordinary shares.

Sime Darby succeeds in Singapore court fight

SINGAPORE, June 20.

SIME DARBY HOLDINGS said the Singapore High Court dismissed with costs a claim brought against the company by the vendors of Golden Bay Realty under the terms of an agreement of April 2, 1973.

The award will become final and binding if the vendors take no formal steps, within four weeks of the date of its publication on June 12, to appeal against the court's decision, Sime Darby said.

Under the 1973 agreement, Sime Darby acquired the whole share capital of Golden Bay, whose principal asset was the then partially constructed Orchard Towers, for S\$50m, to be satisfied by issue of 4m Sime Darby shares and S\$18.25m in cash.

Sime Darby guaranteed bank facilities to the vendors of Golden Bay to a maximum of S\$32m, partially secured by the deposit of the 4m Sime Darby shares issued to the vendor. The guarantee expired on June 30, 1976.

Last July Sime Darby announced that an interim arrangement was reached regarding the construction of Orchard Towers, under which the total consideration of S\$50m for the acquisition of Golden Bay was to be payable wholly in cash.

Sime Darby paid S\$29.59m to the banks and in consideration of this the principal vendor of the Golden Bay shares acknowledged his indebtedness to the company for an equivalent amount. This debt to the company would be offset in the final settlement between the parties.

The deposit of the 4m Sime Darby shares issued to the vendors would continue until the debt is repaid or the shares would be sold on behalf of the vendors and the proceeds would be paid to the company, Sime Darby, they said.

However, the vendors of Golden Bay instituted arbitration proceedings pursuant to the terms of the 1973 agreement and a statement of claim was lodged on September 14, 1976.

CHILEAN EXTERNAL LONG TERM DEBT- LAW No. 8962

CHILEAN 5% LOAN 1980 NOTICE IS HEREBY GIVEN that all the outstanding bonds of the above loan will be redeemed at par on July 1977, from which date all interest thereon will cease.

CHILEAN 4% LOAN 1986 NOTICE IS HEREBY GIVEN that a Drawing of Bonds of the above loan took place on 10th June 1977, attended by Mr. Keith Francis Croft Baker, of the firm of John Venn & Sons, Notary Public, when the following bonds were drawn for redemption at par on 1st July 1977, from which date all interest thereon will cease.

Table with columns for bond numbers and denominations for Chilean 5% and 4% loans.

Each of the above bonds when presented at the office of N.M. Rothschild & Sons Limited for redemption must bear the coupon dated 1st January 1978, and all subsequent coupons, otherwise the amount of the missing coupons will be deducted from the principal to be repaid.

SWEDISH COMPANIES

PKbanken's earnings ahead of budget

BY WILLIAM DULLFORS

PKBANKEN, Sweden's state-owned commercial bank, reports earnings of Kr137m (£18.2m.) for the first four months of the year.

ATC's holding of 1,073,049 Witbank shares, the latter priced at 1.450c, is worth R15.6m. This is worth in turn 97.5c per ATC ordinary and 600c per ordinary and preference treating the preference as pari passu with the ordinary shares.

STOCKHOLM, June 20

monique from the managing director, Mr. Erik Nygren, following the publication last week of a four-month interim report which Mr. Nygren states was issued by "somebody unconnected with and unknown to the management."

Mr. Nygren reports a loss of Kr18m for the first four months, which includes stock subsidies of Kr8m and Kr17m in stock appreciation. This makes a loss of Kr45m before stock subsidies and appreciation compared with the loss of Kr42.3m contained in the unauthorised announcement reported in the Financial Times on Wednesday, June 15.

Sales are given as Kr. 457m, as in the earlier report.

NSANTO COMPANY AND SUBSIDIARIES STATEMENT OF CONSOLIDATED INCOME

Table showing financial data for NSANTO COMPANY AND SUBSIDIARIES for 1977 and 1976.

Atlas Copco redundancies

ATLAS COPCO, the compressed air equipment manufacturer, has given notice that it intends to prune some 450 jobs in its Swedish factories.

Fagersta loss forecast

FAGERSTA, the special steel and rock-drilling equipment company, expects to make a loss of about Kr50m (£8m.) this year compared with last year's pre-tax profit of Kr41m.

New Ticinese resignation

THE PRESIDENT of the Ticinese Cantonal Council, Fabio Vassalli, is to resign from his post in connection with the case Noseda. Three partners in the Ticinese branch of Credit Suisse, in which Sw.Fr. charges of falsification of documents of clients' funds were improperly directed to the Ticinese company Texon-Finanzanstalt.

Bond loans by Swiss banks

ALL OF Switzerland's big three banks—Swiss Bank Corporation, Swiss Bank Corporation, and Union Bank will raise Union Bank of Switzerland and Credit Suisse—are to float bond loans this summer.

ERTISA S.A. Spain

US \$18,000,000 7-year term loan

guaranteed by UNION EXPLOSIVOS RIO TINTO S.A.

and IMPERIAL CHEMICAL INDUSTRIES LIMITED

provided by

Lloyds Bank International Limited Citibank, N.A. Deutsche Bank A.G., London Branch

agent

Lloyds Bank International Limited



MEPC PROPERTIES HAWAII INC.

US \$16,674,000

provided by Metropolitan Life Insurance Co.

APPOINTMENTS

Corporate Tax

• THIS is an unusual opportunity in one of the major British international firms of Chartered Accountants who plan to reinforce their tax services at senior management level. There are excellent prospects of partnership.

• THE work will require a constructive and creative approach to tax planning and the resolution of tax problems resulting from UK and international tax legislation. The ability to manage a team of specialists is important.

• THE requirement is for expert knowledge of corporate taxation in respect of large international groups as well as close companies. The preference is for a graduate whose career has developed in the field of corporate tax planning either in the profession or outside it.

• STARTING remuneration is negotiable in five figures. Preferred age 30 to 35. Location London.

Write in complete confidence to P. T. Prentice as adviser to the firm.

TYZACK & PARTNERS LTD
10 HALLAM STREET LONDON W1N 6DJ
12 CHARLOTTE SQUARE and EDINBURGH EH2 4DN

ACROW

One of Britain's most progressive engineering Groups with 32 years of uninterrupted profit growth is looking for

A DEPUTY MANAGING DIRECTOR TO BE IN CHARGE OF OVERSEAS OPERATIONS

Applicants should preferably have a financial background, be gifted with entrepreneurial spirit, be prepared to spend a considerable amount of time overseas and aged below 45. Applications will be treated in strict confidence and should be addressed to:-

W. A. de Vigier, Chairman, ACROW LIMITED, 8, South Wharf, London, W2 1PB.

Taxation Manager - Designate

Our Taxation Manager is due to retire shortly. We are now seeking to recruit his successor.

Reporting to the Finance Comptroller and supported by a small team of experienced staff, the Taxation Manager undertakes a considerable amount of negotiating with tax authorities both in the United Kingdom and overseas in connection with the taxation of Underwriting Members of Lloyd's and is also responsible for all the taxation aspects of the Corporation of Lloyd's and its subsidiaries.

Candidates, male or female, for this appointment must possess a broad taxation experience at a senior level.

Commencing salary will fully reflect the responsibilities of the position. Fringe benefits include provision of a company car, non-contributory annual bonus and a non-contributory pension and life assurance scheme.

Applications giving details of career to date and current salary to: H. F. Hughes, Personnel Manager, Corporation of Lloyd's, Lime Street, London EC3M 7HA.



Purchasing Manager c. £12,000 p.a.

This position is for a purchasing post in a highly successful chemical and engineering company, which has a sales turnover approaching £100 million per annum. The post reports to the Managing Director and carries international responsibility for the function in all aspects of the business.

Applicants, men or women, aged 35-45 will be graduates preferably in an engineering discipline. Background must show success in managing significant professional purchasing activity with experience

in the petrochemical and chemical industries and in the co-ordination and control of sub-contract services.

The position is based in Outer London and carries a competitive range of benefits including substantial relocation assistance.

Please write, in the first instance, with relevant career details, to: W. C. Bull at Bull, Holmes Ltd., 45 Albemarle Street, London W1X 3FE, quoting ref. no. 448 on your letter and envelope.

Our client guarantees applications will be treated in strict confidence.



PRINCIPAL RESEARCH ANALYST

London up to £8271

British Gas Headquarters at Holborn are looking for a highly experienced research analyst to assist in the management of its investment portfolio. Particular attention will be paid to the equity and fixed interest factors.

The person chosen will lead a small research team and be responsible for the preparation of the investment recommendations. Familiarisation with other investment fields will also be required. The position is important because of the accuracy of the work performed will depend to a significant degree on the analyst's performance.

Constant vigilance and involvement will be required in monitoring the state of the market through contacts with banks and stockbrokers and in pursuit of the media.

To be suitable you should have an economics or numerate degree with at least second class honours and have worked for at least three years in a relevant environment.

Salary will be in the range £6291-£7503 plus £456 Inner London Weighting and £312 flat rate supplement.

Please write, giving full details of age, qualifications, experience and current salary, quoting reference F 016801, FT, to the Senior Personnel Officer, British Gas, 59 Bryanston Street, London W1A 2AZ. Closing date for applications 3th July.



NATIONAL MARKETING DIRECTOR

London based

General Services: £12,000

For a group of companies, with a £12m turnover and a remarkable profit record, engaged in various activities allied to building maintenance, office cleaning and general housekeeping services.

The appointment is a new one and will develop and co-ordinate the marketing function which is at present operating on a decentralised basis.

A dynamic young marketing executive with the ability to inspire people and produce results should be capable of eventually transferring into general management within the group at top level.

Private letters to Mr. A. J. C. Lyddon at 606 Grand Buildings, Trafalgar Square, London WC2N 5HN.

ALLAN LYDDON

London - Sevenoaks - Richmond - Toronto

STOCKBROKERS

We have an efficient and profitable private client section which we wish to expand. We are looking for a person aged 25-35 who is experienced in client management, preferably with some business of their own, to work directly with the partners. Excellent prospects.

All replies in strictest confidence to Box A.5994, Financial Times, 10, Cannon Street, EC4P 4BY.

STOCKBROKERS REQUIRE KEEN INTELLIGENT CLERK

for busy dealing desk. Good opportunity for right person. Some experience a help. Salary negotiable. Write Box A.5990, Financial Times 10 Cannon Street, EC4P 4BY

ACCOUNTANT BERMUDA

Major Insurance Group require a Chartered Accountant for their Bermuda office. Excellent conditions of service. Three-year contract. Age group 27-33 years.

SALARY \$18,000 PER ANNUM

Please telephone, in confidence, Eileen Miller or Trevor James I.F.S. Group 01-385 3792

COMPANY NOTICE

EUROPEAN DEPOSITARY RECEIPTS (EDRs) issued by Morgan Guaranty Trust Company of New York and representing Common Stock of KUBOTA LTD.

As from June 20 1977, holders of EDRs should surrender them to Morgan Guaranty Trust Company in New York at 33 Avenue des Arts or in Antwerp at 82 Franklinstraat in order to obtain in exchange new coupon sheets with coupons 20 to 38 plus total No. 2 attached.

There will be no fee or commission for the exchange, except that noteholders will be liable for shipping costs.



On behalf of clients we require TRADERS (Physical & Futures), COMMODITY EXECUTIVES ACCOUNTANTS, BACK-UP CLERKS, TRAINEE TRADERS FOR U.K., U.S.A. & HONG KONG

01-439 1701

GOURMET

GALLIOTTI RESTAURANT, 40 Old Broad Street, E.C.2. Opens every day for lunch, dinner and dancing until 3 a.m. Cabaret twice nightly at 10.30 p.m. and 1.15 a.m. Mon.-Sat. 22. Tel. 588 1922.

PUBLIC NOTICES

GREATER LONDON BILLS
£25m. Bills issued 16.6.77 maturing 15.9.77 @ 7.5%. Total applications £120,500m. Bills outstanding £50m.

LEGAL NOTICES

No. 001729 of 1977
In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of BELVILLE BUILDERS (MERCHANTS) LIMITED and in the Matter of The Companies Act, 1967.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 22nd day of May 1977, presented to the said Court by ARTHUR SANDERSON BOYS LIMITED, Standard House, Berrers Street, London, W.1, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 14th day of July 1977, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition must appear at the time of hearing in person or by his Counsel for that purpose, and a copy of the Petition will be furnished by the said Company to any creditor or contributory of the said Company requiring such copy on payment of the reasonable charge for the same.

FOLLARDS,
33-35, Oxford Street,
London, W.1.
Tel: 01-499 5181.

NOTE - Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm the name and address of the firm, and must be signed by the person or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 8th day of July 1977.

PERSONAL

ROYAL SPITHEAD REVIEW
Luxury Motor Yacht available for either 27th or 28th June. Or Cowes Week. Up to 40 people. RING CARDIFF 24121

COMPANY NOTICE

ASSOCIATED BRITISH FOODS LIMITED
NOTICE IS HEREBY GIVEN that the Shares of Associated British Foods Limited, which are listed on the London Stock Exchange, will be closed from June 15 to July 1977, both cases inclusive.

By Order of the Board,
T. M. M. SHAW, Secretary,
Western House,
15, Abchurch Lane,
London EC4A 3DF.
21 June 1977.

LEGAL NOTICES

No. 001929 of 1977
In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of AXONA DEVELOPMENTS LIMITED and in the Matter of The Companies Act, 1967.
NOTICE IS HEREBY GIVEN, that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 15th day of May 1977, presented to the said Court by J. Cammell & Sons Limited, 1 Cammell Street, London EC2A 7JL, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London WC2A 2LL, on the 18th day of July 1977, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition must appear at the time of hearing in person or by his Counsel for that purpose, and a copy of the Petition will be furnished by the said Company to any creditor or contributory of the said Company requiring such copy on payment of the reasonable charge for the same.

MURRAY MAUGHAN & CO.,
19a Wimpole Street,
London, W.1.
Tel: 01-499 5181.

NOTE - Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm the name and address of the firm, and must be signed by the person or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 8th day of July 1977.

LEGAL NOTICES

No. 001929 of 1977
In the HIGH COURT OF JUSTICE Chancery Division Companies Court, in the Matter of EDGEMITH LIMITED and in the Matter of The Companies Act, 1967.
NOTICE IS HEREBY GIVEN that a Petition for the Winding up of the above-named Company by the High Court of Justice was on the 13th day of June 1977, presented to the said Court by NATIONAL BANK LIMITED, 41, Leathersellers' Lane, London, E.C.2, and that the said Petition is directed to be heard before the Court sitting at the Royal Courts of Justice, Strand, London, WC2A 2LL, on the 18th day of July 1977, and any creditor or contributory of the said Company desirous to support or oppose the making of an Order on the said Petition must appear at the time of hearing, in person or by his Counsel, for that purpose, and a copy of the Petition will be furnished by the underwritten to any creditor or contributory of the said Company requiring such copy on payment of the reasonable charge for the same.

WILDE, GATFIS & CO.,
11, King's Cross House,
280, Pentonville Road,
London, N1 9EL.
Tel: 01-499 5181.
Ref. MA/1/RK.
Solicitors for the Petitioner.
NOTE - Any person who intends to appear on the hearing of the said Petition must serve on, or send by post to, the above-named notice in writing of his intention so to do. The notice must state the name and address of the person, or if a firm the name and address of the firm, and must be signed by the person or his or their solicitor (if any) and must be served, or, if posted, must be sent by post in sufficient time to reach the above-named not later than four o'clock in the afternoon of the 13th day of July 1977.

CONTRACTS AND TENDERS

Government of Mauritius Ministry of Agriculture and Natural Resources and the Environment

Bulk Sugar Terminal-Port Louis Reinforced Concrete Structure Contract No. 3

Documents for the above contract may be viewed by interested tenderers at the following locations:
Mauritius High Commission,
32/33 Elvaston Place, London, S.W.7 England
Mauritius Embassy,
Suite 134, Van Nasa Centre,
4301 Connecticut Avenue N.W.,
Washington, D.C., 20008 U.S.A.
In addition to the offices of Macdonald, Wagner & Priddy Ltd, at 225 Miller Street, North Sydney, N.S.W. 2060, A and c/o Mauritius Sugar Syndicate, Plantation House D'Armes, Port Louis, Mauritius.
Contract documents may be purchased from the office of Macdonald, Wagner & Priddy Pty. Ltd, at the above address, tenders close in Mauritius on 3rd August, 1977.
L. Puresseur, Permanent Secretary,
Ministry of Agriculture and Natural Resources and the Environment.

GOVERNMENT OF FIJI TENDER FOR STATION RADIO EQUIPMENT

The Department of Posts and Telecommunications Government of Fiji proposes to purchase the following equipment in connection with a second telecommunication system. Payment will be made from the proceeds of a loan provided by the International Bank for Reconstruction and Development.
VHF transmitter/receiver equipment comprising stations and 17 fixed out-stations, 4 equipment call base stations, antennae and 2 years spares
Tendering is open to manufacturers in member countries of the World Bank and in Switzerland. Manufacturers interested in Tendering for the supply of all or part of the equipment should apply for tender documents to the Agents at the following address by 5th July, 1977, in remittance of 40 U.S. Dollars or £25 Sterling and quote FIJIP/T2WB 6/24558.
Crown Agents for Overseas Governments and Administrations, 4 Millbank, London SW1P 3JD.

COMPANY NOTICES

REPUBLIC OF CHILE EXTERNAL SINKING FUND
DOLLAR BONDS OF 1948
N. M. ROTHSCHILD & SONS LIMITED announce that they are authorized to receive for payment the Coupons No. 59 and 60 of the above bonds. Payment is starting will be made at the bank office of exchange on the day of presentation of the coupons. The serials being terms can be obtained on application.
New Court,
St. Stephen's Lane,
London EC4P 4DY.
21st June 1977

THE RITZ HOTEL LIMITED (SPAIN)
NOTICE IS HEREBY GIVEN that the Seventy-seventh Annual General Meeting of The Ritz Hotel Limited (Spain) will be held at the Hotel Ritz, 15, Place Vendôme, Paris on Friday, the 24th June, 1977 at 12 noon.
By Order of the Board,
J. G. ATKINS,
London Secretary.
20th June, 1977

SOLVAY & CO
NOTICE OF DIVIDEND
The dividend of £1.00 per share on the ordinary shares of £1.00 each of Solvay & Co. is payable on 27th June 1977. The dividend will be paid by cheque to the registered holder of the shares. The dividend will be paid to the order of the registered holder of the shares. The dividend will be paid to the order of the registered holder of the shares.

TRAVEL

This traditional hotel
famous Bahnhofstrasse is the ideal venue for the business man. You meet Zurich's City in the comfortable lounge or in the restaurant. Each guest is its individual doctor.
CARLTON ELITE HOTEL
Bahnhofstrasse 41, 8001 Zurich
Tel. 01-23 02 29

Commercial Investment Negotiator

with drive and enthusiasm, to fill a senior post.
The ability to work without supervision is essential as is a sense of humour.
Salary and benefits are open to negotiation.
Please write or telephone in confidence to:
Richard Catling ARICS

Chestertons Chartered Surveyors Commercial Investment

75 Grosvenor Street London W1X 0JB
Telephone 01-499 0404

Conference? Seminar? Company Meeting? Reception? Film Preview? Advertising Presentation?

There's no need to hunt around the West End for a suitable venue or viewing theatre. The FT Cinema, here in the City, offers seating in comfort for 50+ people. Full 16mm film projection facilities. Sony video tape and Philips video cassette viewing. Electronic 3601 slide presentation system. And luxurious private dining rooms with extensive catering facilities.

FINANCIAL TIMES CINEMA

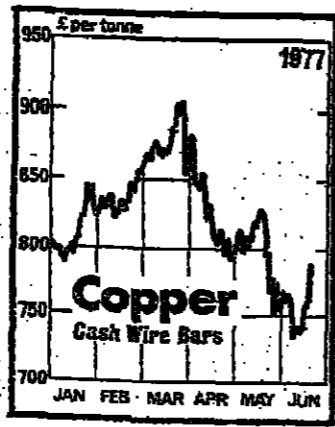
All enquiries to: E. I. Dorner, Cinema Manager, The Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY. Tel: 01-248 8000 (ext. 670).

AND TEND... of Mauri... culture and... and the Environ... Terminal-P... concrete Stru...

Copper leads broad rise in London metal markets

By JOHN EDWARDS, COMMODITIES EDITOR

COPPER led a general rise on the London Metal Exchange yesterday. Cash wirebars closed at 238 1/2 pence...



remaining below 60 cents a lb during the next three years. Either all the producers in the Western world must co-operate in cutting production...

The main impetus for the rise in copper, and therefore other metals prices, came from the New York copper market on Friday night...

The fourth issue of Copper Trends, which extends forecasts up to 1980, predicts that Western world refined production will grow from 6.7m tonnes in 1976...

Coffee surrenders early gains

By RICHARD MOONEY

LONDON COFFEE futures fell back sharply yesterday afternoon after a continuation of Friday's rally...

Organisation (ICO) figures which revealed that coffee imports in the first quarter of this year in the highest for any quarter in the past seven years...

City funds 'likely to buy more farmland'

By Our Commodities Staff

PENSION FUNDS and other institutions are likely to buy an increasing proportion of the farmland in Britain...

Fresh call for global grain stockpile

WORLD FOOD COUNCIL

MANILA, June 20

MR. BOB BERGLAND, the U.S. Agriculture Secretary, today called for the establishment of a world-wide network of nationally held grain reserves...

Cotton buffer stock plan

By David Giff

AN INTERNATIONAL agreement on cotton, with the operation of a buffer stock as a central feature is being proposed by the secretariat of the UN Conference on Trade and Development (UNCTAD)...

GENEVA, June 20. AN INTERNATIONAL agreement on cotton, with the operation of a buffer stock as a central feature is being proposed by the secretariat of the UN Conference on Trade and Development (UNCTAD)...

Soyabean meal

By David Giff

THE MARKET OWNED THAT after a slight decline in Chicago, there was little change in the price of soyabean meal...

Soviet cereal imports tally urged

By CHRISTOPHER PARKES

THE MAIN cereals exporting nations could prevent the Soviet Union from shaking up world grain markets as it has done in the past...

IMMUNITY MARKET REPORTS AND PRICES

Table with columns for Metals, Rubber, and Silver, listing various commodities and their prices.

COFFEE

Table showing coffee prices for various grades and origins, including Arabica and Robusta.

MEAT/VEGETABLES

Table listing prices for various meats and vegetables.

PRICE CHANGES

Table showing price changes for various commodities over a period of time.

When in 1877 Queen Victoria was proclaimed Empress of India. Rudolf Wolff & Co became founder members of the London Metal Exchange.

Advertisement for Rudolf Wolff & Co Ltd, detailing their services in commodity trading and exchange operations.

RUBBER

Table showing rubber prices for various grades and origins.

GRAINS

Table showing grain prices for various types of wheat and other grains.

SILVER

Table showing silver prices for various grades and origins.

COCA

Table showing coca prices for various grades and origins.

SUGAR

Table showing sugar prices for various grades and origins.

WOOL FUTURES

Table showing wool futures prices for various grades and origins.

JUTE

Table showing jute prices for various grades and origins.

COTTON

Table showing cotton prices for various grades and origins.

U.S. Markets

Table showing U.S. market prices for various commodities.

FINANCIAL TIMES

Table showing financial data and market indices from the Financial Times.

STOCK EXCHANGE REPORT

Equities recover from early dullness in slack trading
Leaders better with index up 3.6 at 445.2 but Gilts ease

Account Dealing Dates
Option
*First Declara- Last Account
Dealings tions Dealings Day
May 23 Jun 9 Jun 10 Jun 21

Treasury 8 1/2 per cent, 1980/82,
went against the trend and rose
to 8 1/2 mainly reflecting the
stock's extremely small market-
ability. Corporations, meanwhile,

just as impressive at 8 1/2 for a
gain of 6. Foods otherwise failed
to decide on a set return. Fresh
bid conjecture took Pork Farms

and Crosby House, 124p, while
R. and J. Puffman, 66p, and M.R.
Refrigeration, 125p, both firmed

rights at 104p with the new shares
at 11p premium.
Few changes emerged in the
Textile sector. Dawson Inter-
national, a firm market of late,

Reflecting domestic market
trends, South African edges for-
ward and Hallett's Corporation
closed 3 deater at 120p.

Gilt-edged buyers lacked in-
spiration and quotations, although
closing a shade above the worst

Home Banks took a modest turn
for the better in this trading.

Among the leaders, Thorn issues
firmed to 35p, while Lintas shed

Buying in a restricted market
prevented a set of 17 to 20p

Oil shares traded quietly with
British Petroleum moving between

Financials improve
Mining shares markets got off to
a quiet start to the week with

Gilts dull again
Shrouded by political uncertain-
ties as well as a general rise in

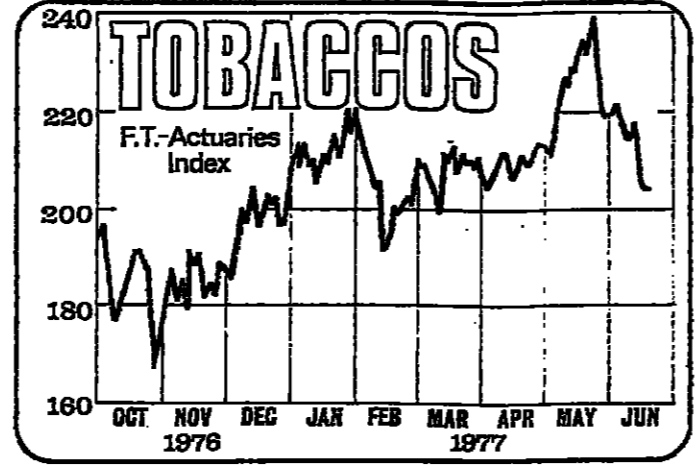
Insurance closed with minor
improvements such as a gain of

Derivative Stamping advanced 9
to 10p, while Tecanil improved

Scattered losses in Trusts
included Selected Risk, 5 off at

Heavyweight issues were gener-
ally unchanged but among the

Dividends shown penny per share net except where other



FINANCIAL TIMES STOCK IND

Table with columns for various stock indices: Government Sec., Fixed Interest, Industrial Ordinary, Gold Mines, etc. Includes values for June 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, 1.

HIGHS AND LOWS S.E. AG

Table with columns: Stock, Denomina- tion, No. of shares, Closing price, Change on day. Lists various stocks like Govt. Sec., Fixed Int., Ind. Ord., Gold Mines.

ACTIVE STOCKS

Table with columns: Stock, Denomina- tion, No. of shares, Closing price, Change on day. Lists active stocks like BP, GKN, Shell Transp., Barclays Bank, etc.

NEW HIGHS AND LOWS FOR

Table with columns: NEW HIGHS (37), NEW LOWS, RISES AND YESTER. Lists various stocks and their performance.

ENTERTAINMENT GUIDE

Entertainment Guide section containing listings for Opera & Ballet, Theatres, and Music. Includes titles like 'The Royal Ballet', 'Theatre Royal', and 'Theatre de la Ville'.

RECENT ISSUES

Recent Issues section containing tables for Equities, Fixed Interest Stocks, and Warrants Offers. Lists various financial instruments and their prices.

FT-ACTUARIES SHARE INDIC

FT-Actuaries Share Indices section containing tables for Equity Groups, Fixed Interest Price Indices, and Fixed Interest Yields. Provides detailed data on various financial indices.

AUTHORISED UNIT TRUSTS

OFFSHORE AND OVERSEAS FUNDS

Table of authorised unit trusts including categories like British Shipley & Co. Ltd., Guardian Royal Ex. Unit Mgrs. Ltd., and various international and domestic funds.

Table of offshore and overseas funds including categories like Arbutnot Securities (C.I.) Limited, Fidelity Mgmt. & Res. (Eds.) Ltd., and various international and domestic funds.

BASE LENDING RATES

Table of base lending rates for various banks and financial institutions, including British Bank, Hill Samuel, and others.

NEW LINE TO LIVERPOOL

Text advertisement for a new line to Liverpool, mentioning 'The Financial Times Index and Business News Summary' and contact information.

INSURANCE, PROPERTY, BONDS

Large table listing various insurance, property, and bond products from companies like Abbey Life Assurance Co. Ltd., Equity & Law Life Ass. Soc. Ltd., and others.

Advertisement for 'The Financial Times' featuring a large graphic of the newspaper and contact details for subscriptions and advertising.

Advertisement for 'CLIVE INVESTMENTS LIMITED' and 'INSURANCE BASE RATES', providing contact information and details about investment services.

Handwritten scribble at the top of the page.

INDUSTRIALS - Continued. Table listing various industrial stocks with columns for Stock, Price, Div, and Yld.

MOTORS, AIRCRAFT TRADES. Table listing stocks in the motor and aircraft sectors with columns for Stock, Price, Div, and Yld.

PROPERTY - Continued. Table listing real estate and property-related stocks with columns for Stock, Price, Div, and Yld.

TRUSTS - Continued. Table listing various trust and investment funds with columns for Stock, Price, Div, and Yld.

TRUSTS - Continued. Table listing various trust and investment funds with columns for Stock, Price, Div, and Yld.

YASUDA TRUST AND BANKING advertisement. Includes a logo, company name, and contact information. Below the ad are sections for MINES - Continued, AUSTRALIAN, TINS, COPPER, MISCELLANEOUS, NOTES, TEAS, MINES, CENTRAL RAND, EASTERN RAND, FAR WEST RAND, O.F.S., FINANCE, DIAMOND AND PLATINUM, REGIONAL MARKETS, and OPTIONS 3-month Call rates.

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Attempt to kill Amin reported

By Our Own Correspondent
NAIROBI, June 20. THE WHEREABOUTS of President Idi Amin was unknown after reports of an assassination attempt against the Ugandan dictator.

A security cordon was thrown round State House in Entebbe—President Amin's official residence—and roadblocks went up throughout Kampala following the reported assassination bid, according to persons in the Ugandan capital contacted by telephone.

President Amin's car was damaged by bullets near Entebbe on Saturday according to diplomats in Nairobi who suggest that this was part of an attempted coup against the dictator which may have missed. "Something happened—Gha's all we're sure of," one diplomat said.

Shooting was reported by several people in the area and one diplomat said that President Amin had been wounded. General Mustafa Adrisi, the vice-president, may have been in the car and been injured too.

The Kenyan Nation newspaper reported this morning that President Amin was missing and might be dead after the assassination attempt.

Help call

According to The Nation, this was followed by a curious request from General Adrisi for help in tracing the missing Ugandan leader.

One report from Uganda claimed that President Amin had been seen yesterday, and this morning Radio Uganda reported that he would attend a ceremony to-day in Western Uganda. Ugandan refugees in Nairobi reacted to news of the reported coup by saying that it could have been a ploy to get President Amin probing for disloyalty in his immediate entourage and ready to arrest anyone showing any sign of being ready to take over after such a coup.

Troops are reported to have been searching for houses and cars in the area and killing members of the Baganda tribe, blaming them for the reported assassination attempt.

The Baganda, like the Acholi and Langi tribes have fled Uganda in large numbers recently although in the early years of Amin's regime many came back from exile.

Another report, suggests that the incident springs from a division in President Amin's own army. The rumours were heightened by some mysterious comments from State House at Entebbe where the so-called Ugandan told callers that heavily armed Moslem troops were all around and that the Christian soldiers in State House did not know what was going on. They did not know where President Amin was.

More U.S. support for S. Africa blacks

BY JUREK MARTIN, U.S. EDITOR
NEW YORK, June 20

Twenty-one more U.S. corporations are joining in the campaign to improve the working and living conditions of their non-white employees in South Africa.

This was announced in Washington this morning by Dr. Leon Sullivan, the black congressman from Philadelphia who also sits on the Board of General Motors.

It was in early March that Dr. Sullivan first unveiled his plan, drawn up following consultations with the Carter Administration, to attract the initial backing of 12 companies, including General Motors, Ford and IBM.

To-day's list also includes several prominent multinationals—among them Phillips Petroleum, Sperry Rand, Fisher, NCR, General Electric, Kodak, E.I. Lilly, Deere, Colgate-Palmolive, Caterpillar Tractor, and Abbott Laboratories.

Dr. Sullivan's programme essentially consists of a set of principles that the corporations agree to implement as best they can even the differing natures of their investments in South Africa.

These principles include desegregation of races in eating and working places; equal and fair employment practices for all races; equal pay for employees doing equal and comparable work; development and training schemes for non-white employees, particularly in the clerical and technical fields; an increase in the number of non-whites in management and supervisory positions; and improvement in the quality of employees' lives outside work, covering housing, education, health, and transport.

Pressure

The Carter Administration in general—and Mr. Andrew Young, its UN Ambassador, in particular—has made no secret of the belief that pressure for change of the racial laws and practices in South Africa can be exerted through the American corporate presence.

This is substantial, second only to Britain in terms of the value of investment. Recent South African estimates have said that over 30 U.S. companies now have investments worth at least \$1.6bn. in South Africa.

Mr. Young, for one, is anxious to get American banks involved in the movement but so far only one bank, First National

Ford row hits more provincial factories

By Alan Pike, Labour Staff

THE FORD dispute which has halted all car production at Dagenham spread yesterday to plants at Southampton and Langley, near Slough, and will have made more than 14,000 workers idle by this morning.

At Southampton, where 2,500 employees will be laid off from to-day, all production of the Transit range of trucks will be halted. Fiesta and Cortina car production at Dagenham stopped last week. Another 650 will be laid off from to-day at the Langley heavy trucks plant.

With the body, assembly, foundry and engine plants at Dagenham all hit by the strike and the effects of picket action, the dispute can be expected to spread to Halewood, where the Escort is produced, before the end of the week. Dagenham also produces components for Ford plants in Europe and these will be affected if the action continues.

THE LEX COLUMN Keyser Ullmann calls the turn

A dividend of 0.5p a share from Keyser Ullmann does not exactly spell riches for its long-suffering shareholders—the yield at 35p is just 1.4 per cent—but it does amount to a declaration that the group's years of decline have ended. Net worth fell from £36.7m to £31.5m last year but a turning point came in September when first-half write-downs had taken the capital base to £30.4m. Now KU claims that prices realised from property sales have improved—so that the remaining £50m or so could even realise a surplus over book value—while the £6m extra provisions charged at the half-year stage may not have all been strictly necessary. The second six months, when pre-tax profits were £0.86m, would have stayed in the red but for £2m transferred from the provision set up to cover the financing costs of low yielding assets. However, KU reckons that only £1m of the remaining £5m provision will be required thanks to the progress made in selling property and in building out-land.

Presumably KU could still be knocked off course by a further rise in interest rates, but the group is not expecting anything akin to last year's surge in money costs which were around £0.5m higher in the second-half than in the first six months. The hope is that deposits and advances, after falling slightly in 1976-77, will now stabilise, while staff numbers are likely to rise again after being skimmed down to 200. The key to KU's share price, however, is not its banking business but its net worth which is being valued at a discount of over 40 per cent. That discount should shrink as the risks become more clearly definable.

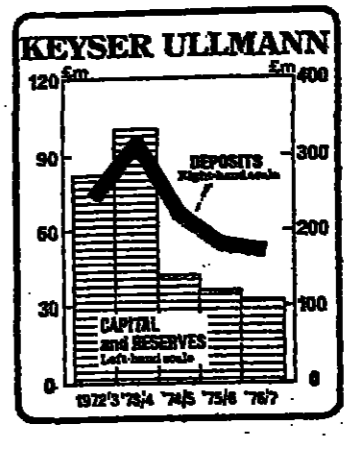
By contrast foreign investment in Wall Street has tailed off sharply this year. During the last big bull market in 1975, for example, foreign investors bought \$4.7bn. net of U.S. equities and another \$0.8bn. of bonds. However, in the first three months of 1977 net purchases of equities amounted to only \$0.6bn. against \$1.5bn. in the first quarter of last year.

Some Continental investors have had their fingers badly burnt by the fall in the dollar's value over the last couple of years against the strong European currencies and in fact Dutch and Swiss investors were net sellers of U.S. equities last year. For U.K. investors however, the background is more promising since they are far less vulnerable on the exchange rate front. U.S. profits are growing faster than expected, and on past evidence Wall Street traditionally stages a rally during the Summer months.

BP

The BP share price held firm yesterday at almost 900p and the issue's promoters are wearing a steadily more confident smile. In the U.S. the "road show" has swept through the Mid-West and hits California tomorrow, with encouraging signs of buying interest. Several U.S. brokers are reported to have dropped out of the North American underwriting group, a move which frees them to operate without restriction in the existing market; if there is a net, despite rumours have worried some of the New York 66 new foreign spill over into the London market after the issue, and in any case the market price is not that much higher than the minimum announced in the first quarter of 1977 against 52 in the comparable period of last year.

Index rose 3.6 to 445.2



So the London offer seems certain to attract a subscription and on the day it there will be a quick profit, with an indicated price about 380p for the 300p stock. But a word of caution is required. The heavy effort on both sides of the Atlantic could leave the BP vulnerable once the enthusiasm has waned, even in the early days of the price may well have stood heavy selling pressure contrast to the quietness of recent days. The share maintain two separate accounts in the party paid other in fully paid shares ready publicly held or in the U.S.—is a key factor could allow the former to a discount on the fully price.

Rumasa/Barnett

Who wants to buy a market with 13 per cent of little over 1 per cent? Rumasa, the Spanish glomeration which has the Augustus Barnett business, will want to its own wine and sheen through the 138 outlets that cannot be the whole since Rumasa's brand mainly as far up-market Spanish go, and Barnett not like to be reminded market pretension: its price leaders, last approx £3m by dabbling in the. If commercial logic immediately apparent, nothing new for Rumasa in Spain and a multi-buy Horizon Midland with its hotel investment group is a fast-growing, solidated phenomenon assets put at \$1m acquisitions policy pursued Spaniards, yet also British off-sales drink. But the deal must be pleased—disappointing brewers who had hoped their own number was removed an irritant. Rumasa is paying in many things left unsold in two private groups. It is net, despite rumours have worried some of the pliers, was still able to worth of £1.8m in January claims to be healthy £800,000 profits on a £60m this year.

EEC Farm Commissioner apologises to Silkin

BY ROBIN REEVES
LUXEMBOURG, June 20

MR. FINN GUNDELACH, the EEC Commissioner for Agriculture, publicly apologised here to-night for his recent letter to Mr. John Silkin, the U.K. Minister of Agriculture, suggesting that encouraging greater U.K. food self-sufficiency was against EEC rules.

Mr. Gundelach said he regretted the tone of the letter and it should never have been sent. It suggested that indirect measures and even statements by Mr. Silkin encouraging British farmers to produce more, could be interpreted as being against the rules of the Common Agricultural Policy.

This was because they could have an effect equivalent to restricting the normal operation of market forces by restricting imports and unauthorised direct aids, which were all clearly against Common Market regulations.

The Commissioner for Agriculture, explained that he had signed the letter, which evoked a curt reply from Mr. Silkin, rejecting Brussels interference in his Ministerial duties and the pursuit of Government policies, among a large number of other letters.

Unfortunately, he had only read the first unexceptional page. He would consider instituting an internal inquiry to see how the letter came to be written in such terms.

At the same time, Mr. Gundelach stood by his view that an EEC country should aim for total self-sufficiency.

"I don't think this is a legal matter. But equally, I don't think it is healthy for EEC member States to pursue policies in terms of self-sufficiency," he said.

Targets

Mr. Silkin, who is in Luxembourg to preside at an EEC Council of Agricultural Ministers, later said he was relieved to hear he was not expected to submit his speeches for vetting by the Commission.

On self-sufficiency, he said, he did not think this would ever be achieved by the U.K. "But it must be right to produce as much as possible in our own country. If the Common Market is about anything, it is about free competition.

Officials here are interpreting the letter as a reminder to the Government that when it comes to revising the targets for the expansion of British food output, it should allow for the EEC dimension in agriculture and produce a White Paper, somewhat more commensurate in the Ministry of Agriculture's 1975 White Paper "Food From Our Own Resources". This aimed to expand domestic food production by 24 per cent a year up to 1980, saving £500m on the balance of payments.

In the letter, Mr. Gundelach expressed concern over Mr. Silkin's recently announced intention to update the targets contained in the White Paper.

In a reply, Mr. Silkin firmly retorted that neither he nor British farmers were prepared to accept that increasing food production from Britain's own resources was against EEC rules.

He considered it was a British right to produce as much as possible in our own country. Government policy said he would continue to do so, he said.

Spanish concern buys Barnett cut-price wine, spirit group

BY KENNETH GOODING

AUGUSTUS BARNETT, the cut-price wine and spirit retailing group, has been bought by Rumasa, the Spanish concern which claims to be the largest privately-owned Spanish holding company, and is controlled by Sr. José Maria Ruiz-Mateos, 42.

Mr. Brian Barnett, also 42, who founded the chain only 14 years ago, built it up by cutting out all frills at his shops—not even bags are handed to customers—and slicing prices to the bone. He said last night that this style would continue under the new owners.

With the financial backing Rumasa could provide, the planned expansion of the chain can be speeded. The aim was to increase the number of outlets from 138 to 260, mainly by filling in geographical gaps, particularly in Scotland.

No price has been disclosed. But Rumasa is buying a company with 138 shops, about half freehold or on long leasehold, and with a slight-acre head-quarters centre in Silverton, East London. The latest balance sheet puts a £1.5m. value on net assets.

Mr. Barnett said the company would make taxable profits of £200,000 on a £60m turnover in the year to January 1978. This would represent about 13 per cent of the U.K. take-home trade in wines and spirits, and also imply a 1 per cent return on sales, including duty and VAT.

Effect of duties

Mr. Barnett has signed a five-year contract to remain executive chairman of the company with his salary maintained at £28,140 a year plus a profit-sharing arrangement.

He is restricted from starting a similar business for a further ten years. His deputy chairman, Mr. Leslie Clark, has signed a five-year contract with Rumasa.

Mr. Barnett made it clear that his company's limited financial resources had always been stretched by increases in duties on liquor.

In the years when Barnett was profitable enough to consider getting a stock market quotation, it was the duty which explained out of the question.

Mora recently the group has had big losses. In 1974 the downturn in business which hit the whole wine and spirit trade, heavy losses on fine wines, and the collapse of an associated company, London Wine Co., pushed Barnett into the red by £270,000, compared with a pre-tax profit of £237,000 the previous year.

Rumasa has major interests in wine, banking and hotels in Spain. In the U.K. it is best known through its Williams and Humbert subsidiary, the "Dry Sack" sherry company acquired in 1972.

Rumasa profile Page 25

Booth makes little headway

Continued from Page 1

Office refused to take action he would take it himself through the magistrates' courts.

Mr. John Gourlet, director of the National Association for Freedom, the law and order pressure group, which has been advising Mr. Ward, also said that it might seek injunctions against the postal workers and the strike leaders.

The association has asked both Mr. Ryland and Mr. Silkin for information. "If we receive negative replies, then we shall consider whether or not we can begin proceedings for a private prosecution," Mr. Gourlet said.

Mr. Grantham said that he would want assurances from Mr. Ward before an inquiry was held.

The union believes there is no possibility that the strike, now in its 45th week, can be brought to an end unless Mr. Ward comes to the discussion table and that he will do that only if more pressure is put on the north London factory.

For that reason, the union was prepared to continue the

It would be wrong to have an inquiry at the moment and the pickets should go home until all pending legal action had worked its way through, probably over the next month.

The British Legal Association appealed to the Prime Minister to restore what it felt was a drop in respect for Britain's traditional reliance on law and order.

"These ugly and defiant developments make a mockery of the laws governing peaceful picketing," Mr. Geoffrey Thomas, the association's general secretary said.

The Haldane-Society of Socialist Lawyers has asked its members to join the Grunwick picket lines.

Mr. Grantham said after yesterday's meeting that there was some question about the identity of four people involved in the "hotelling" incident. They were not trade unionists and did not appear to be students as they claimed, he added.

Lay-off pay

Dagenham management and local officials met to discuss the strike yesterday afternoon but after the failure of peace talks at the week-end, there was little optimism that there would be an early settlement.

Anglo-U.S. air talks prolonged for a day

By Ian Hargreaves

TWENTY-FOUR hours extra breathing space has been found for the delegations seeking to renegotiate the Anglo-U.S. air services pact in London.

Following examination by lawyers yesterday of the terms of Britain's unilateral renunciation of the Bermuda agreement one year ago, it was decided that the old bilateral treaty does not expire until midnight to-morrow, Washington time. This is 5 a.m. Thursday, British time.

It had been thought that the deadline was midnight tonight and that if agreement had not been reached by then, the U.S. would carry out its threat to halt all flights between the two countries.

The technical extension of the deadline is an indication of the determination of both sides to reach a deal and so avoid a disruption in Anglo-U.S. relations which would be deeply embarrassing to both President Carter and Mr. Callaghan, who have been involved personally in trying to hurry the negotiations along.

Cathay Pacific

Negotiations continued throughout yesterday and were mainly concerned with the question of which routes U.S. airlines should be allowed to fly out of London and Hong Kong and under what conditions.

The British delegation is particularly incensed at American proposals to extend their passenger rights for cargo and passenger services from Hong Kong—a move which the British Government feels would have a serious impact on the future of the tiny British-owned airline, Cathay Pacific, which is based in London.

It looks certain now that the talks will continue right through to-day and possibly into tomorrow. The British remain reasonably optimistic that some form of agreement will be found, but the Americans are still saying that the outcome remains uncertain.

Other issues separating the two sides are the means of regulating the number of seats offered on transatlantic services, and the wording of a statement on future provisions for charter services between Britain and the U.S.

Weather

UK TODAY
DRY WITH sunny intervals. London, Midlands, Cent. S. and S.W. England
Dry. Cloudy. Sunny intervals developing. Wind northerly, light. Max. 15C (59F).
S.E. England, E. Anglia and Channel Is.
Dry. Cloudy. Sunny intervals developing. Wind northerly, light or moderate. Max. 14C (57F).
Wales, N.W. England
Dry. Sunny spells. Wind easterly, light. Max. 15C (61F).
S.W. Scotland, Glasgow, Cent. Highlands, Argyll and N. Ireland
Dry. Sunny spells. Wind light, easterly. Max. 15C (61F).
N.E. England, Borders, Edinburgh and Dundee, Aberdeen
Dry. Sunny spells. Wind north-east, moderate. Max. 15C (59F).
N. Scotland, Moray, Fife
Dry. Sunny spells. Wind light, variable. Max. 15C (59F).
Outlook: Mostly dry with sunny intervals.

BUSINESS CENTRES

| | Y'day | Mid-day | Y'day |
|---------------|-------|-----------|-------|
| Amerstdm | C 11 | London | C 11 |
| Buenos | C 11 | Lucerne | C 11 |
| Geneve | C 11 | Paris | C 11 |
| Hong Kong | C 11 | Stockholm | C 11 |
| London | C 11 | Vienna | C 11 |
| Lyons | C 11 | Zurich | C 11 |
| Madrid | C 11 | | |
| Moscow | C 11 | | |
| New York | C 11 | | |
| Osaka | C 11 | | |
| San Francisco | C 11 | | |
| Singapore | C 11 | | |
| Tokyo | C 11 | | |
| Warsaw | C 11 | | |

HOLIDAY REPORTS

| | Y'day | Mid-day | Y'day |
|-----------|-------|---------------|-------|
| Aleppo | C 11 | Amman | C 11 |
| Beirut | C 11 | Cairo | C 11 |
| Colombo | C 11 | Hong Kong | C 11 |
| Delhi | C 11 | London | C 11 |
| Frankfurt | C 11 | Geneve | C 11 |
| Harbin | C 11 | Los Angeles | C 11 |
| Hong Kong | C 11 | Madrid | C 11 |
| London | C 11 | Moscow | C 11 |
| Lyons | C 11 | New York | C 11 |
| Osaka | C 11 | San Francisco | C 11 |
| Paris | C 11 | Singapore | C 11 |
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| Vienna | C 11 | Zurich | C 11 |

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